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U.S. Raises Grain Limit for Russia
To Historic 25-Million-Ton Level

By John M. Berry

WASHINGTON, Oct. 4 (WP) — The United States agreed yesterday to allow the Soviet Union to make the biggest grain purchase in history.

The Russians can buy up to 25 million metric tons of wheat and corn during the next 12 months, about 10 percent of what the United States will produce this year. The

biggest previous sale was 18 million metric tons in 1972.

Officials at the Department of Agriculture said that the sales, which had been widely expected by grain traders, "would not have a significant effect on prices."

But the U.S. action comes at a time when the Carter administration is promoting new initiatives to combat rising inflation, which includes food prices. Grain prices are much higher than a year ago, partly

because of the anticipated Soviet sale, and, now that it is approved, prices probably will not fall, according to farm experts.

In 1972, the Russians secretly bought 18 million metric tons of wheat and corn, some of which was sold at prices subsidized by the U.S. government. That controversial sale, which was followed by major food price increases in the United States, resulted in an agreement under which Washington must give

prior approval to purchases of more than 8 million tons in one year.

The agreement announced yesterday does not rule out purchases beyond the 25-million-ton limit, but added sales would require another approval.

Undersecretary of Agriculture Dale Hathaway, who headed the U.S. delegation in the talks here, said that the situation was totally unlike that of 1972.

"Our supply availability is such that the purchases would not have a significant effect on prices because we have a farmer-reserve program and record crops," Mr. Hathaway said, adding, "and we are not paying them to take it."

The Soviet Union, which has already bought the first 8 million tons allowed under the agreement, needs to import up to 32 million tons of grain in the coming year because its own crop has been badly damaged by weather. Agriculture officials estimate that the Soviet crop will be about 180 million tons, at least 40 million below target.

Aid for Vietnam, Cambodia

Part of the U.S. grain could end up in Vietnam and Cambodia. Despite the prospects of its own poor harvest, the Soviet Union has shipped tons of grain to Vietnam, and are reported to be supplying grain to the Vietnamese-backed regime in Cambodia to alleviate famine there.

This year's U.S. wheat crop is about 57.8 million metric tons, or 2.12 billion bushels, up 18 percent from last year and the second largest crop ever. The Agriculture Department recently announced that farmers would be eligible for all wheat price-support programs even if they divert no land from production. A 10 percent set-aside was required during the past year.

The corn crop now being harvested is expected to be a record 185 million tons, or 7.27 billion bushels. That is about 3 percent higher than last year's crop, which was a record.

In the marketing year that ended last month, the Russians bought about 15.7 million tons. The year before, they bought 14.6 million tons. Each year, they bought about three times as much corn as wheat.

Unexpected Element

The one unexpected element in the new agreement is that the Russians can buy any mix of wheat and corn they choose. Since corn is cheaper at the moment, the additional purchase might be largely corn, a development that could anger U.S. wheat growers.

Mr. Hathaway said that even if the Russians buy the full 25 million tons, U.S. supplies will be adequate to meet domestic demand and other export requirements and still maintain sufficient carry-over into the 1980-81 season.

Other Agriculture Department officials said that the carry-over of corn supplies into this fall would be about 12 billion bushels, and that the sale and other demand still will leave about 1.1 billion bushels next fall.

At current prices, U.S. farmers would receive about \$2.4 billion if all 25 million tons of grain are bought. Additional hundreds of millions of dollars would go to traders and those who transport grain.

Russia Declares It Doesn't Need Goods From U.S.

MOSCOW, Oct. 4 (UPI) — The Soviet Union said today that it can get along quite easily without the products it receives in trade from the United States and declared that attempts to curb U.S. exports would be "America's own loss."

Providing the Communist Party newspaper, criticized the U.S. House of Representatives for approving an amendment to a bill that extends controls of exports to the Soviet Union, and charged that the action was an attempt by Washington to exert control over Socialist countries.

The newspaper said that such attempts would fail and ridiculed the United States for trying to curb exports at a time when its own economy is sluggish and unemployment is high.

"The Soviet economy is capable of providing the country with everything necessary," Pravda said. "In cases where it is more reasonable to get some goods abroad, our foreign trade organizations have a great choice of markets besides the American one, while senators and congressmen inflict damage to the interests of their own country by having left the American industries without multi-million dollar orders and their workers without additional jobs so heavily needed by them, the paper said."

The House last month amended a bill that would extend by four years the Export Administration Act that would give President Carter the power to halt grain sales to the Soviet Union as long as it maintained troops in Cuba.

Relief Agencies Press Ahead

GENEVA, Oct. 4 (WP) — With at least 2.5 million Cambodians said to be on the brink of starvation, the International Committee of the Red Cross and the United Nations Children's Fund (Unicef) are pressing ahead with a large relief effort despite uncertainties about cooperation from the government in Phnom Penh, according to officials here.

Red Cross and Unicef representatives in Phnom Penh surveyed the area in a 60-mile radius of the city and told their offices in Geneva that very few children under the age of 5 are left, that almost no pregnant women are left and that 650,000 children between the ages of 5 and 9 are severely ill from malnutrition.

"Our reports are that many fields are just lying fallow," a Unicef official said. "In some regions, only 10 to 20 percent of the land has been cultivated."



Unter den Linden, one of East Berlin's principal boulevards, displays some of the decorations put up for the celebrations this weekend of East Germany's 30th anniversary as a state.

East Germans Mark 30th Anniversary

Brezhnev to Address Leaders in Berlin

By John Vinocur

BERLIN, Oct. 4 (NYT) — Soviet President Leonid Brezhnev arrived in East Berlin today for four days of ceremonies marking East Germany's 30th anniversary, meetings with East Bloc leaders, and a major foreign policy speech in which he is expected to discuss the U.S.-Soviet strain over Cuba.

Orderly crowds of tens of thousands of East Germans greeted the 72-year-old leader as he rode through the city from Schoenefeld Airport to Niederschoenhagen Palace, the government guest residence. Although the temperature was 59 degrees (F), Mr. Brezhnev wore an overcoat and scarf and required assistance as he went down the steps of his airplane to embrace Erich Honecker, the East German Communist Party secretary and head of state, on the airport runway.

Mr. Brezhnev's schedule during the four days of celebrations, which will include an unusually large military parade Sunday, is extremely tight, giving him time for long rest periods and meetings with the Eastern European leaders who will be gathering here tomorrow and Saturday.



Leonid Brezhnev and Erich Honecker embrace in Berlin.

The entire Soviet Bloc leadership will be on hand, with the exception of President Nicolae Ceausescu of Romania, and they are to be joined by Asian and African representatives, including the Zimbabwe Patriotic Front chairman, Joshua Nkomo, and Yasser Arafat of the Palestine Liberation Organization.

East German officials have excluded, however, the possibility of a full-scale meeting with a formal agenda for the Warsaw Pact leaders.

Mr. Brezhnev's speech Saturday afternoon from the East German parliament will be broadcast live on television throughout Eastern Europe.

Western diplomats in Bonn said that the speech was expected to range over the spectrum of international politics, with special emphasis on troop reduction.

(Continued on Page 2, Col. 5)

If U.S. Balance of Payments Runs Surplus

German Bank Head Sees Dollar Stability

From Agency Dispatches

BELGRADE, Oct. 4 — West German central bank president Otnar Emminger, in an interview today, said that there could be "a period of stability ahead for the dollar, in which there is no need to intervene in the markets."

He based this opinion, however, on the prediction made here yesterday by Treasury Secretary William Miller that there would be a change from deficit to surplus in the U.S. balance of payments and that there would be "a visible decline in the U.S. inflation rate."

Mr. Emminger was in Belgrade for meetings of the International Monetary Fund and the World Bank.

He said that he "wouldn't bet" that the U.S. payments account would show a surplus of \$10 billion next year as predicted by Treasury Under Secretary Anthony Solomon, "but the direction is going in the right way."

Mr. Emminger, who will retire as head of the West German central bank at the end of the year, also said that the world is in better shape to deal with this year's oil price shock than with that of 1973 because the industrial nations are in better shape and are at different stages of the business cycle.

Thus, although the United States faces a mild recession, he said, West Germany and Japan are stronger.

"The negative part of it," Mr. Emminger said, "is that the developing countries are much deeper in debt than they were in 1973 and 1974."

West German Finance Minister Hans Matthöfer, in a separate interview, said that neither the West German nor U.S. government believes that it is necessary to add to the resources both have made available for intervention to support the dollar.

"In our meeting in Hamburg last Saturday," Mr. Matthöfer said, "we both said that enough resources were available so as not to warrant new agreements."

But Mr. Matthöfer added that his government had no objection if

the United States decided to float another Deutsche-mark-denominated bond issue in the West German market. The United States has done this in the past to raise foreign currency with which to intervene in the exchange markets to prop up the dollar.

A high European monetary official said today that new U.S. measures to stabilize the dollar and counter inflation are likely to be ready for announcement in a few weeks. The source said he was convinced the United States would do something to give the dollar some psychological backing and to tighten credit in order to fight inflation.

Mr. Miller and most members of the U.S. delegation returned to Washington today.

Developing Countries

On another economic front in the Belgrade talks, U.S. hopes have been dashed that the poor and developing countries would bring pressure on petroleum-exporting nations to hold down oil prices.

Instead, speakers here have criticized the industrial countries as being primarily responsible for the world's economic woes, while the members of the Organization of Petroleum Exporting Countries have been commended.

Anuadith Khan, the finance minister of Bangladesh, said today that Saudi Arabia and some other OPEC members deserve "unqualified praise" for their efforts to assist developing countries.

The OPEC countries, whose total assistance remained over 2 percent of their gross national product in 1978, have set exemplary standards and the major OPEC donors like Saudi Arabia, the United Arab Emirates and Kuwait deserve our unqualified praise for the high levels of aid ranging from 5.5 percent to 11 percent of their GNP," he said.

One official sympathetic to the U.S. position, and who did not want to be identified, said he thinks individual developing countries are reluctant to criticize OPEC for fear of being deprived of aid.

Meanwhile, South African Finance Minister Owen Horwood said today his country would continue to sell roughly all its annual gold production of 715 tons.

Pope Bars Move for Women As Priests

From Agency Dispatches

DES MOINES, Iowa, Oct. 4 — Pope John Paul II flew from the big cities of the East to the small towns of the Midwest today after reaffirming the Roman Catholic Church's opposition to women as priests. He said that limiting the priesthood to men is the way "God has chosen to shepherd his flock."

The pope arrived here from Philadelphia for an afternoon of prayer first at a rural church outside Cumming, 20 miles southwest of Des Moines, and then at a 600-acre open-air museum of farm life. The pope was to end his day in Chicago, the next-to-last stop on a weeklong tour that started with Boston, New York and Philadelphia and will end in Washington.

A crowd estimated at 300,000 — more than three times the number of Catholics in the entire archdiocese of Des Moines — gathered at the farm museum to welcome him.

At the 205-member church at Cumming, the pope told the congregation: "How privileged you are that in such a setting you can worship God together, celebrate your spiritual unity and help to carry each other's burdens... May the simplicity of your life-style and the closeness of your community be the fertile ground for a growing commitment to Jesus Christ."

Growing Movement

A group of 150 handicapped or elderly residents greeted the pope at Des Moines Municipal Airport, while about 4,000 people waited outside an airport fence, many chanting "Long Live the Pope!"

The pope had begun his day with visits to churches in two ethnic neighborhoods in Philadelphia, winding up his 20-hour visit with a service in the city's civic center, where he made his first reference to the growing movement in the United States to admit women to the priesthood. He received a 10-minute standing ovation from the crowd of about 24,000, mostly priests and nuns.

The pontiff, who also stressed the importance of celibacy, said that the priesthood was "given by the Lord to the men he himself had decided on," and that this was "in accord with the prophetic tradition."

"It should help us understand that the church's traditional decision to call men to the priesthood, and not to call women, is not a statement about human rights, nor an exclusion of women from holiness and mission in the church," he said. "Rather, this decision expresses the conviction of the church about this particular dimension of the gift of priesthood by which God has chosen to shepherd his flock."

'Priesthood Is Forever'

The drive for a greater role for women in the church has gained strength in recent years. Recent surveys indicate that about 40 percent of U.S. Catholics favor admission of women to priestly orders.

"Priesthood is forever. We do not return the gift once given," the pope also said. "It cannot be that God, (Continued on Page 2, Col. 3)"

Employers Bow To Settle U.K. Labor Dispute

LONDON, Oct. 4 (AP) — A 10-week-old engineering union dispute that had forced most of British industry onto a three-day working week was settled today when employers made an improved offer.

Leaders of the nation's 1.75-million heavy industry workers said they would call off their action, which has included a national overtime ban and a crippling series of five two-day strikes.

The strike action cost British factories an estimated £2 billion (\$4.2 billion) in lost exports and domestic sales, and state-owned Rolls-Royce Ltd., a major aircraft engine maker, shut down completely, laying off 30,000.

The deal gives the 17 separate unions in the Confederation of Shipbuilding and Engineering Unions most of what they demanded: more money, an extra week's vacation phased in over four years, and a 39-hour week starting in 1981.

Engineering workers thus became the first major industrial group in Britain to break through the 40-hour-week barrier, a move likely to be followed by other unions across Britain.

An employers' spokesman stressed that the agreement contains a clause on improved productivity to help pay for shorter hours, which he said "must be seen in the general change and improved conditions that we can expect to see in the 1980s."

Contrast to Carter Policy

U.S. Firms Do Business In a Big Way With Chile

By Juan de Onis

SANTIAGO, Oct. 4 (NYT) — While Chile's Supreme Court was refusing this week to extradite to the United States three army officers accused of planning a political assassination in Washington, Anaconda was signing a contract to invest up to \$1.5 billion in a new copper mine in Chile.

While the Carter administration was summoning Ambassador George Landau home for a review of relations with the military regime, Chase Manhattan Bank was preparing to move into the new offices of its first branch in Chile.

The contrast between the public policy of the United States and the private actions in Chile of large U.S. corporations has been sharpened by the tensions caused by the investigation into the assassination of Orlando Letelier, a Chilean exile leader.

Mr. Letelier, who served as foreign minister under the late President Salvador Allende, was killed when a bomb destroyed the car in which he was riding in downtown Washington in September, 1976. His American assistant, Ronni Moffitt, also was killed.

Trial Ruled Out

After a long investigation, the United States Justice Department obtained the conviction in federal court of two Cuban exiles accused of helping to plot the bomb attack on the Chilean secret police. But the Chilean Supreme Court ruled out any trial here of three Chilean army officers implicated in the murders.

Human rights violations, to which American liberals attach so much significance, are not a factor in corporate decisions, businessmen here say.

"I don't think we spent five minutes talking about human rights

General Jailed After Rebellion In Argentina

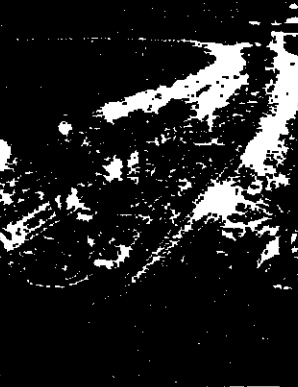
CORDOBA, Argentina, Oct. 4 (AP) — A general who refused to be fired and instead mounted a mutiny last week was flown northeast yesterday to start 90 days' confinement in the remote garrison of Cruz del Sur, near the Brazilian border.

The removal and replacement of Gen. Luciano Menendez, who commanded Argentina's third army corps, means that President Jorge Videla and army chief Gen. Roberto Viola now have the support of all four army corps commanders for their plan to put anti-terrorist measures under the control of civilian courts.

Military sources said that Gen. Luciano Menendez would be forced to retire when his sentence expires on Jan. 1. He surrendered on Sunday after leading a bloodless mutiny in protest against alleged army softness on subversion.

Gen. Viola had fired Gen. Menendez as commander of the third corps, based near here, after the rebel general urged Gen. Viola's resignation. Gen. Menendez tried to rally forces for a coup, but gave up when he and his supporters were surrounded by 4,000 troops loyal to Gen. Viola.

REMEMBER WHEN PROMENADE DES ANGLAIS HAD EVERYTHING EXCEPT A NEW LUXURY HOTEL?



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when the board made the decision to invest in Chile," said Jack Carter, manager of Goodyear's \$34-million tire, battery, and rubber products plant.

"We don't mix business and politics," said John Chamberlain, the manager of the Citibank branch here. The bank sold out under government pressure in 1972. After Mr. Allende's Marxist-oriented regime was overthrown by the military in 1973, Citicorp, the parent company, came back, first opening a finance company in 1974 and then reopening the bank branch.

Anaconda, whose big Chuquibambilla copper mine was nationalized by the Allende government in 1971, also is returning.

Anaconda, which is now owned by Atlantic Richfield, bought a number of small mine holdings near Salamanca, high in the Andes above La Serena, for \$20 million this year, and is drilling to determine the extent of the ore body called Los Pelambres. Development could cost \$1.5 billion.

Exxon also is mining in Chile. It bought a mine called La Disputada for \$110 million and has invested in a large exploration program. A decision on whether to invest an estimated \$500 million more will be made next year.

The St. Joe Minerals Corp. has begun developing a combination gold and copper mine called El Indio, which could add up to a \$500-million investment. Superior Oil and Falconbridge are trying to raise the financing for a \$500-million project at Quebrada Blanca.

These and other mining investments have been attracted by the great mineral reserves of Chile, which has 25 percent of the world's proven copper, and by the race to develop advantageously situated nonferrous mines in expectations of rising demand and higher prices in the coming decade.

Investment would be taking place under any government that offered reasonable prospects of stability. But foreign investment in Chile today is stimulated also by the government's policies, which are designed to open up the economy to private foreign capital.

"We have come back to Chile not only because of the mining prospects, but because this government has created a climate of confidence for investment," said Ralph Cox, Anaconda's president, as he signed the investment option contract.

For Goodyear, which bought its tire plant here from the Government Development Corp., the attraction was the likelihood of a good market.

"When you compare Chile with other developing countries, there is stability, a large and growing middle class and pent-up demand after a long period of recession," said Mr. Carter, Goodyear's manager. "It looked like a unique opportunity."

Since 1977, Chile has sharply reduced import duties on automobiles and trucks, a move that promises a steadily growing tire market.

Dow Chemical also has returned to Chile. The company's polyethylene and polyvinyl chloride plant at Talcahuano, which was taken over by workers during the Allende regime, was returned to Dow management in January, 1974.

Reflecting the general enthusiasm of American businessmen here for the government of President Augusto Pinochet, Robert Smith, who runs Dow's operations in Chile, said that business conditions were "excellent."

"They have to get a lot of credit for perseverance in controlling inflation, consistency in policy, and reliability," Mr. Smith said. "Every one with whom we do business in the bureaucracy is honest."

Support Slides For Nationalists In South Africa

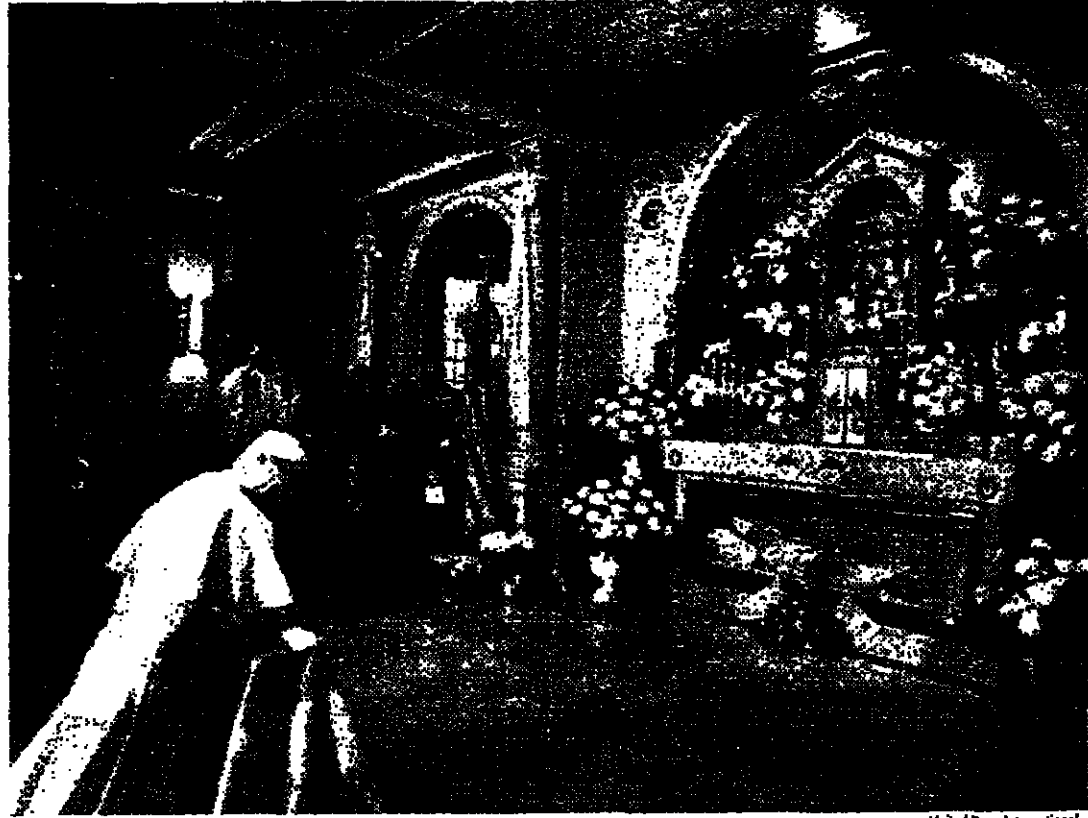
JOHANNESBURG, Oct. 4 (UPI) — Voters today appeared to reject Prime Minister Pieter Botha's attempts to give blacks a better deal.

Although the ruling National Party managed to retain their seats in four parliamentary by-elections, the Nationalists, facing tough opposition from the arch-conservative Herengest Nasionale party in Rustenburg, staved off defeat by just 846 votes.

In the three other by-elections the Nationalists lost considerable support to both the right and the left as its victory margins were chopped drastically compared with previous elections. In all the districts, large numbers of voters abstained.

Before the elections Mr. Botha said that he was resigned to the fact he would lose support of rightist groups but that he hoped to pick up support from English-speaking liberals.

Despite the lack of support for his policy of change, Mr. Botha is expected to follow the course he has set to ease restrictions on blacks. Recently he granted black workers the right to join trade unions — a move that appears to have put the National Party in considerable disfavor with white workers especially miners as reflected in the Rustenburg result.



The pope prays in Philadelphia in front of the altar-tomb of St. John Neumann, the first American male saint. The Bohemian-born prelate (1811-1860) lies behind the glass in the altar.

Pope Bars Move to Female Priesthood

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who gave the impulse to say "Yes" now wishes to hear "No." The pope said that it should not "surprise the world that the call of God through the church continues to offer us a celibate ministry."

About 10,000 U.S. priests have

been given dispensations to return to lay status in the last decade. But the dispensations, which free a priest to marry without fear of excommunication, stopped when Pope John Paul II took office almost a year ago.

Excitement continued to accom-

Anti-Catholic Sentiment Seen in Legal Wrangles

By Eleanor Randolph

WASHINGTON, Oct. 4 — Shortly before midnight on March 5, 1854, nine men slipped into a maintenance shed near the White House and stole a rectangular slab of marble that had been ceremoniously presented to the nation by Pope Pius IX at the Vatican's contribution to the then-unfinished Washington Monument.

After poisoning watchdogs and tying up a watchman in his cubicle, the nine rolled the stone to a barge a few hundred yards away, floated it into the center of the Potomac River and dumped it overboard.

Days later, members of the "Know-Nothing Party" claimed responsibility for the vandalism and rallied a surprisingly large number of people to their cause of "anti-Romanism," anti-Pope Catholicism, anti-nunneryism, anti-winking-virginism, anti-Jesuitism and anti-whole-sacred-catholic-hierarchyism, as their literature put it.

Pope John Paul II, who is scheduled to celebrate Mass this weekend near the monument that is still missing the Vatican's donation, will encounter a nation that is far more tolerant of Catholicism than it was during the "Know-Nothing" era.

But some Catholics, and even some church theologians, are worried that the seeds of the old hostility remain.

"Catholics should not beguile themselves into believing that this historic bias is dead," said Monsignor John Ellis, professorial lecturer of church history at the Catholic University of America in Washington. "It is not dead; it is simply not as vicious as it was years ago."

The rush of legal objections in the past few weeks to the pope's visit was a sign of the old suspicions about their religion still rest uneasily beneath the surface in a nation founded for the most part by non-Catholics.

In every city on the pope's itinerary, questions surfaced about the use of public money and land for a religious leader. The objections ranged from constitutional issues raised by the American Civil Liberties Union, based on separation of church and state, to suits brought by atheist Madelyn Murray O'Hair and by an abortion-clinic operator in Boston.

The ACLU, which objected to efforts to prohibit the pope's visit by Mrs. O'Hair and the clinic operator, carefully monitored plans in each city to make certain that the pope would not be treated differently from other religious leaders — either by being discriminated against or by being given favored treatment.

Philadelphia Dispute

In Philadelphia, the ACLU's objections to the use of public funds for the pope's altar were seen by many as anti-Catholic, not pro-Constitution.

Although the Catholic Church is paying for temporary religious structures in other cities, Philadelphia's strong-willed, lame-duck mayor, Frank Rizzo, has insisted that the taxpayers would be honored to pay for the pope's platform.

Faced with Mr. Rizzo's resistance, the ACLU filed suit, charging that by building the structure, the city is "in fact paying for and supplying an open-air church."

Such contributions, the ACLU argued, violate the constitutional provisions separating church and state. But a federal judge decided to

670 Prisoners Said Pardoned in Nigeria

LONDON, Oct. 4 (AP) — Nigeria's new civilian government said yesterday that it has granted amnesty to 670 prisoners.

A Lagos radio report monitored here quoted an official proclamation saying that the amnesty was granted to mark the 19th anniversary of independence.

pany the pope as he crossed Philadelphia today, creating exuberance comparable to that yesterday when more than 1 million people turned out for an outdoor service. It was the biggest gathering of his U.S. tour so far.

Although the pope insisted on the permanence of vows to celibacy, he paid tribute to the customs of the Eastern Rite branch of the Catholic Church that permits married priests. Speaking at the Ukrainian Cathedral of the Immaculate Conception, he told 200 priests, 100 nuns and 2,500 parishioners that Catholicism means "strengthening and preserving intact the communion of the universal church, while safeguarding the existence of the legitimate individual traditions within it."

Yesterday the pope strongly cautioned Catholics against the "moral anarchy" of extramarital sex, and told seminarians that they must walk the path of celibacy and discipline if they would be God's messengers on Earth.

At the outdoor service he warned against "laxity regarding the Christian view of sexuality." It was a swift change of pace from his pleas for peace and help for the poor in Boston and New York. His stern words were likely to chill religious liberals, who argue that without reform, the church in the United States will continue its decline of recent years.

Speaking to 60 students at a seminary the pontiff told them that they must keep their priestly promises "no matter what difficulties you may encounter and no matter what temptations you may be exposed to."

Brezhnev Is in Berlin

(Continued from Page 1)

talks concerning Central Europe. They said that it was likely that the Soviet leader would also refer to the SALT-2 strategic arms agreement and to U.S. accusations concerning the presence of a Soviet combat brigade in Cuba.

Any discussion of disarmament would be contrasted by the military parade for which preparations have been going on for more than a week. The parade is expected to be an unusually large one, featuring the new T-72 Soviet battle tanks the East German Army recently received from the Soviet Union.

Long-Term Agreements

In addition to the speeches and ceremonies, Mr. Brezhnev will sign long-term economic cooperation agreements with East Germany that are described as increasing trade between the two countries, already each other's largest trade partner, and confirming a continuing supply of Soviet fuel and raw materials for the East Germans.

Mr. Brezhnev's welcome appeared cheerful, if not wildly enthusiastic. School and factory groups were transported to prearranged points along the motorcade route and were handed Soviet and East German flags and pictures of the leaders once they had taken their places on the sidewalks.

The city itself, usually draped with banners exhorting higher production and Socialist solidarity, had more flags and bunting than usual, but went about its business without traffic jams or unusual activity.

Storefronts were covered with posters congratulating the country on the 30th anniversary of its founding and photos of workers posed near open furnaces and at building sites saying things such as "The German Democratic Republic — My Country" and "30 Years, a Proud Record for Us All."

No Date Is Foreseen In Capping of Intox 1

MEXICO CITY, Oct. 4 (UPI) — Mexico's state oil agency said yesterday, four months after one of its wells blew out in the Gulf of Mexico causing the world's largest oil spill, that it cannot estimate when the spouting well will be capped.

About six hours later, police arrested a suspect and charged him with assault with a deadly weapon after he walked into the hospital and told nurses, "Call somebody. I stabbed a priest."

Soldiers' Arms Stolen

BESANCON, France, Oct. 4 (AP) — Armed men held up two army draftees on traffic control during a major military exercise in eastern France yesterday and stole their weapons, police said.

Other subjects make it impossible to estimate when the pollution will end, said a spokesman for Petroleos Mexicanos (Pemex).

News Analysis

Moscow Values Cuba-Policy Dividends

By Dan Fisher

MOSCOW — The Soviet Union's special relationship with Cuba costs it an estimated \$12 million a day in economic and military aid — and constant strain that periodically flares into open confrontations with the United States. Yet in the Kremlin's view, financial and political investment in the Caribbean island is as good as gold.

The benefits: Fidel Castro has proved an increasingly influential spokesman for Soviet foreign policy objectives in the pivotal nonaligned movement of the world's more-or-less politically independent nations.

Cuba supplies thousands of troops, most of them black, to aid Soviet-backed "national liberation movements" in Africa — troops which, if they were Russian, might polarize opposition to Moscow as a colonialist power in Third World countries.

Just as Iran under the shah served as a valuable U.S. intelligence base, so Cuba fills this role for Moscow, providing a home for Soviet reconnaissance aircraft, electronic intelligence-gathering ships and eavesdropping antennas pointed 90 miles north to the U.S. shore. There are an estimated 8,000 to 10,000 Russians in Cuba.

Most important, Cuba provides a Communist foothold in the Western Hemisphere — an island billboard that might someday fulfill the late Premier Nikita Khrushchev's dream of "a magnet that would attract other Latin American countries to socialism."

Moscow does not talk much about the benefits from its Cuban connection. Official pronouncements here assume instead a synergy, paternalistic tone. "The hearts of the Cuban people are filled with affection for Lenin's home country, with feelings of deep gratitude to their Soviet friends," said a recent commentary in Pravda, the Communist Party newspaper.

Some analysts say that Cuba could have strategic value as a gateway to the Atlantic for Soviet submarines and as a refueling spot for long-range bombers. Most say, however, that what Moscow has sought from Havana is political rather than strategic advantage.

"The presence of Soviet strategic or conventional forces in the Caribbean would not alter the military balance or confer important military advantages on the Soviet Union in the event of a general war," said James Theberge, a former staff member of the Center for Strategic and International Studies of Georgetown University, in a special report on "Russia in the Caribbean."

But the continuing Soviet presence "could have strongly unfavorable political and psychological repercussions on the U.S. position in the hemisphere and help to erode U.S. prestige and credibility wherever in the world," Mr. Theberge added.

The current controversy over Soviet troops in Cuba underlines the impact of the Moscow-Havana axis on U.S. domestic politics as well. The dispute has raised further questions about President Carter's leadership, and cast a new pall over prospects for ratification of the strategic arms limitation treaty that Mr. Carter and Soviet President

Leonid Brezhnev signed in Vienna in June.

The Russians have been indignant both publicly and privately over the latest incident. They say Mr. Carter tried to coerce them into pulling out troops that have been in Cuba for a decade or more.

The Kremlin is sensitive about its role as a world power, and easily angered by any actions it sees as an attempt to bully the Soviet Union. That is particularly the case with Cuba, where Moscow was seen widely as having backed down to President Kennedy during the 1962 missile crisis. (Mr. Khrushchev maintained that he got just what he wanted from the crisis — guarantees that the United States would not invade Cuba.)

Western diplomats here question the notion that Moscow may have been testing the United States. "I don't think this is a probe of U.S. strength or weakness, because the stakes are too high and the [Soviet] ante was too little," a diplomat said. "I don't think we're in a period of probes to seek American soft spots. Everywhere you look the Soviets are acting with some sort of restraint."

Whether probing or not, Moscow clearly has a major and growing stake in Cuba, both politically and economically.

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Western experts estimate that Soviet military and financial aid to Cuba today stands at about \$4.5 billion a year. Moscow does not release its aid figures, but its financial commitment is suggested in official trade statistics. Total Soviet trade turnover with Cuba reached \$6.5 billion last year, more than six times the 1972 figure and nearly double the 1975 total. By far the most important Soviet import from Cuba is raw sugar, for which Moscow pays as much as five times the world price. It also buys Cuban nickel and cobalt at prices above the world market.

Sixty percent of Cuba's total trade is with its Soviet sponsor. Another 10 percent is with other members of the Moscow-led trading bloc, Comecon. Cuba depends on the Soviet Union for virtually all its oil and petroleum products, farm equipment and industrial raw materials. "The Cuban economy is mortgaged to the Soviet Union for the foreseeable future," an analyst commented.

© Los Angeles Times

Pentagon Study Suggests U.S. Military Aid to China

By Richard Burr

WASHINGTON, Oct. 4 (NYT) — A Defense Department study has concluded that the United States should take steps to bolster China's military potential so that Peking could come to the assistance of the West in the event of major war with the Soviet Union.

Although the study does not endorse any specific options for enhancing Peking's military power, it recommends that several possible steps should be examined, including the provision of advanced technology and intelligence data to China, the sale of advanced arms, Chinese production of U.S. military hardware and joint military exercises.

Saying that "China plays a pivotal role in the global balance of power," the secret study, which was prepared for Secretary of Defense Harold Brown in April, argues that "during a worldwide war, it would be to our benefit to encourage Chinese actions that would heighten Soviet security concerns."

"Such encouragement," it adds, "could include arms transfers or the employment of American forces in joint operations." A copy of the study was obtained by The New York Times.

'Purely a Think Piece'

The study, entitled "Consolidated Guidance Number 8: Asia During a Worldwide Conventional War," was described by the Defense Department yesterday as a "staff study." In a statement, a Pentagon spokesman said that "it in no way represents the policy of the Department of Defense or the United States government. The study is purely a think piece."

Although the title specifies conventional war, the study mentions the both conventional and nuclear conflict.

Believes It Can Be Verified

Sen. John Stennis, D-Miss., chairman of the Armed Services Committee, said yesterday that his panel will resume its separate hearings on SALT-2 next week.

Planned Discussion

On the Senate floor yesterday, a number of senators joined in a planned discussion on the Cuban issue, all of them declaring that it should not be allowed to interfere with consideration of SALT-2.

Several said that the administration has mishandled the issue, but all agreed that it is not of great significance. Sen. Claiborne Pell, D-R.I., said that he hoped the Cuban troops issue "will fade into the global and national insignificance it deserves."

Sen. Thomas Eagleton, D-Mo., John Chafee, R-R.I., Alan Cranston, D-Calif., Charles Mathias, R-Md., and Don Riegle, D-Mich., also took part in this discussion.

Minutes before they spoke, Sen. John Tower, R-Texas, took the floor to denounce President Carter's proposals for dealing with the Soviet troops in Cuba. "The series of measures to be taken are all on our side and are empty of content or tangible result," Sen. Tower said. "The Soviets are required to do nothing."

Apel to Seek Increase

WASHINGTON, Oct. 4 (NYT) — Mr. Apel said yesterday that he would try to change his government's decision to raise its defense spending by only 1.5 percent next year instead of the 3 percent pledged four months ago by all allied countries.

After meeting with Defense Secretary Harold Brown and with Zbigniew Brzezinski, the White House national security adviser, Mr. Apel said that when he returns to Bonn he would relay the Carter administration's concern over West German unwillingness to meet the 3 percent goal.

The Carter administration has pledged to increase military spending by 3 percent next year in real terms, and is under pressure from the Senate to raise it an additional 2 percent to 5 percent.

Senate Unit Said to Back SALT Pact

By Robert G. Kaiser

WASHINGTON, Oct. 4 (WP) — The Senate Select Committee on Intelligence, which has been secretly assessing the United States' ability to monitor the new SALT treaty for more than a year, will report next week that the treaty's provisions can be verified, informed sources said yesterday.

According to these sources, the intelligence committee's positive finding will be endorsed by a "overwhelming" majority of the committee's membership, crossing a broad political spectrum from liberal Democrats to Sen. Barry Goldwater, R-Ariz.

Several members of the committee who oppose the strategic arms limitation treaty will declare that it is not entirely verifiable by U.S. intelligence, these sources said. These senators reportedly include Jake Garn, R-Utah, and Henry Jackson, D-Wash.

Important Factor

The intelligence committee's endorsement is regarded by the Carter administration and senators who support the treaty as an important factor, although they acknowledge that verification is not the issue it once was in many senators' minds.

A few months ago, many in the Senate predicted that the SALT vote would hinge on members' perception of the adequacy of U.S. photo satellites and eavesdropping devices to pick up any Soviet violations of the treaty. Since then, several new issues have come into the SALT debate, detracting attention from verification. Also, Sen. Goldwater and others have already stated publicly that they thought the treaty could be verified.

The intelligence committee is now scheduled to report its findings to the Foreign Relations Committee late next week. The report has been delayed several times, most recently, it is said, to allow the intelligence committee to say something about the relationship between U.S. intelligence concerning Cuba and verification of SALT-2.

Some senators have asked how the United States could verify Soviet compliance with the arms pact if it was unable to detect the presence of a Soviet "combat brigade" in

Cuba for a number of years. Senior intelligence officials have said that the two issues are not directly related.

Anticipation of the positive report from the intelligence committee is one basis for hopes among administration officials that the SALT debate is about to take a favorable turn for the White House.

Another new source of pro-treaty sentiment, officials hope, will be the influence of officials from NATO countries who have already begun lobbying the Senate quietly on behalf of SALT-2, calling it crucial for the future of NATO cooperation and modernization.

For example, West German Defense Minister Hans Apel is now in Washington to meet with key Senate members. Mr. Apel is stressing the need for Senate approval of the treaty to avoid the possible collapse of NATO efforts to agree on sweeping modernization and expansion of the alliance's nuclear arsenal in Europe, informed sources reported.

Political Significance

A key NATO meeting on these improvements is scheduled for December, Mr. Apel said, and Senate defeat of SALT-2 could all but scuttle it. According to these sources, the German official does not dwell on the merits of SALT-2 itself, but rather on the political significance of a failure by the United States to follow through on such an important treaty.

Carter administration officials hope to be able to convince wavering Senators that a vote against SALT would amount to a vote against modernization of NATO nuclear forces on the grounds that the NATO allies would not be interested in such modernization if they perceive that the United States is incapable of conducting policies needed to lead the alliance.

Democratic members of the Senate Foreign Relations Committee met yesterday to discuss rules for the "mark-up" of the SALT treaty, now scheduled to begin Oct. 15. During the mark-up, the committee will consider amendments, reservations or understandings, and decide whether to approve the treaty for action by the full Senate. The process could take two weeks.

Alternatives Outlined

S. Drafts Plan to Impose Import Quota by Jan. 1

By J.P. Smith

WASHINGTON, Oct. 4 (WP) — The administration's plan to impose a quota on oil imports because foreign oil is too cheap. The rationale was that the U.S. would be able to produce more oil than it needs, and the surplus would be sold to other countries. The plan was to set a quota of 7.8 million barrels a day, which would be increased to 8.2 million barrels a day by Jan. 1. The plan was to set a quota of 7.8 million barrels a day, which would be increased to 8.2 million barrels a day by Jan. 1. The plan was to set a quota of 7.8 million barrels a day, which would be increased to 8.2 million barrels a day by Jan. 1.

The amount imported would be below demand, or there would be no point in having the program. The allocation program thus would create an artificial shortage; that, too, would put upward pressure on prices.

When President Carter promised to put a ceiling on imports earlier this year, his experts expected imports this year to average only about 7.8 million barrels a day, well below the quota. Now they have revised their estimates upward to 8.1 million barrels a day — closer to the limit of 8.2 million barrels a day set for this year. The revision means the country may bump up against the Carter quotas sooner than had been anticipated and lends some urgency to the regulation-writing process that will start this week.

Criticism Expected

The 27-page administration draft anticipates many criticisms expected to be offered at public hearings on the proposals in the coming months.

It says that "a potential problem of the auction system is the possibility of market manipulation." Another problem associated with the auction method is that "companies with substantial financial resources" — the major oil companies — "could exclude others from the market by bidding excessively high for the import tickets," the draft notes.

About the second alternative — a tariff — John Lichblum, head of the Petroleum Industry Research Institute in New York, said: "One possible consequence of this could be that OPEC nations see this as evidence that their prices are still too low to curb the growth in demand for their oil."

As for the third option, allocation based on past imports, the administration draft suggests that it could spur the construction of inefficient refineries and effectively bar further competition in the oil industry.

Unlike the Eisenhower oil import program that was set aside in 1973, Mr. Carter's proposal would include all petroleum-based imports, such as asphalt, propane, butane and petrochemicals.

Mr. Hendrie said the NRC would never again stand back the way it did during the first three days of the Three Mile Island incident. It was not until the accident's fourth day that Harold Denton, the director of nuclear regulation, went to Three Mile Island to act as the federal government's spokesman to explain what had happened to the public and to Pennsylvania Gov. Richard Thornburgh.

"I think it's clear that after Three Mile Island, the commission can't stand back from another accident," Mr. Hendrie told the subcommittee.

"It's clear that the people want to hear directly from the appointed chiefs of this agency and it's just as clear that we'd be drawn in to take a hand in another accident, if it happens."

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The five NRC commissioners told the subcommittee they would not tolerate another Three Mile Island situation, where plant operators withheld crucial information about the accident for several days. They mentioned as examples of withheld data the 2,500-degree temperatures inside the nuclear core and the hydrogen explosion indicating damage to the core.

"These numbers should have been reported to the NRC," Commissioner Peter Bradford said. "Not so much because a law requires it but because it's important to public health and safety."

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TWISTER DIASTER — This home in Windsor Locks, Conn., is but one scene of destruction left behind by a tornado that ripped through the central part of the state Wednesday, killing one and injuring at least 400 persons.

U.S. Unit Might Take Over Nuclear Plan in Accident

By Thomas O'Toole

WASHINGTON, Oct. 4 (WP) — The chairman of the Nuclear Regulatory Commission said yesterday that the NRC might take control of a stricken nuclear power plant in the event of another accident like the one that occurred at Three Mile Island, Pa.

"It gets difficult if we're asked to switch switches and turn valve wheels," NRC Chairman Joseph Hendrie told the Senate subcommittee on nuclear regulation, "but there could be circumstances where we'd assume command of licensee employees, where we'd deputize the plant's operators like the National Guard and where we would go into the plant and take over its management."

Mr. Hendrie said the NRC would never again stand back the way it did during the first three days of the Three Mile Island incident. It was not until the accident's fourth day that Harold Denton, the director of nuclear regulation, went to Three Mile Island to act as the federal government's spokesman to explain what had happened to the public and to Pennsylvania Gov. Richard Thornburgh.

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To Be Published Next Month

Kennedy Book May Be Seen as Campaign Document

By Herbert Mitgang

NEW YORK, Oct. 4 (NYT) — Sen. Edward Kennedy's forthcoming book, "Our Day and Generation," was intended to coincide with the opening Oct. 20 in Boston of the John F. Kennedy Library, the beneficiary of the book's royalties. It has turned out to resemble a presidential campaign document that will be closely studied by friends and foes seeking to clarify or condemn Sen. Kennedy's views on national and international affairs.

Although it is officially coming out on Nov. 30, the book has already aroused political interest because of Sen. Kennedy's warm-up steps in the starting blocks of the presidential race. Published by Simon and Schuster, the book will appear with the endorsement of two distinguished U.S. statesmen and political liberals — historian Henry Kissinger, its editor, and playwright Arthur Schlesinger Jr., who contributes a foreword. Both are constituents of the Democratic senator from Massachusetts.

Advance proofs of the manuscript show fairly exactly what Sen. Kennedy wishes to be included in his record, and foretell what he may stress, should he decide to enter the contest for the presidential nomination. Because the material is mainly derived from speeches, the tone is more hortatory than specific on some issues.

Health Insurance

Among Sen. Kennedy's principal points in the book are:

• Health, environment — It is time to adopt a program of national health insurance. Environmental protection is not inconsistent with individual property rights, and the government must preserve natural resources.

• Women — The equal rights amendment should be ratified to end unfair discrimination against women.

• Press — No reporter should have to go to jail for defending the

First Amendment, and no publisher should be the victim of large fines for defending editors or reporters or the basic right to publish.

• Elections — Public financing is the wisest possible investment that U.S. taxpayers can make, because never before have private interest groups been better organized, better financed, or more resistant to forces of change.

• Energy — Policies should be made in the living rooms of consumers instead of at the wellhead and in the boardrooms of industry. A greater commitment is needed to solar energy. The Three Mile Island accident raises serious questions about the future of nuclear power, and all sources of energy should have a comprehensive risk-assessment approach.

• Urban, rural aid — The cities should not be robbed of tax revenues, because the victims have been the elderly poor, blacks, Chicanos

and inner-city youth. The efficient family farmer should be helped rather than the conglomerate agribusiness looking for places to store its excess funds.

• Human rights — The legal issues affecting the Spanish-speaking and other ethnic minorities do not end with justice and equal educational opportunity, but include immigration, housing, farm labor, health and political participation. While economic growth is important for all Americans, it is absolutely essential for black Americans. It is the indispensable condition of black progress.

• Gun control — There is solid evidence that controlling guns can bring down the crime rate. The power of the gun lobby should be ended in U.S. politics.

• Economic power — The task of reducing concentrations of private economic power, and improving the capacity of individuals and

small businesses to deal with the concentrations that remain, is just as important as the task of reducing the size of government.

• Arms and peace — The nation's finest historic role has been that of peacemaker. The U.S. future still depends on maintaining military strength and the fully adequate strategic deterrent it has today. The overriding priority of the United States must be the prevention of nuclear war. The strategic arms agreement should be ratified and Cold War confrontation avoided. The United States should not take a chessboard view of the world, based only on power politics. Policies should be grounded in basic humanitarian values as a nation.

Sen. Kennedy has been closely and personally involved with the manuscript, expanding or cutting down certain passages from his speeches, remarks as a committee chairman and position papers, said Prof. Commager, who continued: "I proposed another title for the book: 'Let Us Begin.' That came from the conclusion of one of his more eloquent speeches. But he rejected it because he felt it had political implications. The book was not intended to be a campaign document, but things have changed since last spring."

Carter Group Says Kennedy Draft May Violate Election Finance Law

WASHINGTON, Oct. 4 (AP) — President Carter's campaign committee is charging that the movement to draft Sen. Edward Kennedy for the Democratic presidential nomination is an orchestrated national campaign that may be violating election finance laws.

Linda Peck, spokeswoman for the Carter committee, said a formal complaint would be filed with the Federal Election Commission today.

The commission has ruled that the Kennedy draft committees are not campaign committees and therefore not bound to the same contribution and spending limitations. Sen. Kennedy has disavowed any connection with the committees.

The commission's ruling means that individuals may give a draft committee as much as \$5,000, compared to the \$1,000 limit on individual gifts to an authorized candidate campaign committee.

However, the Carter-Mondale Committee says the commission position has left another loophole that Kennedy boosters are exploiting. At issue is whether the groups are connected, as the Carter committee contends.

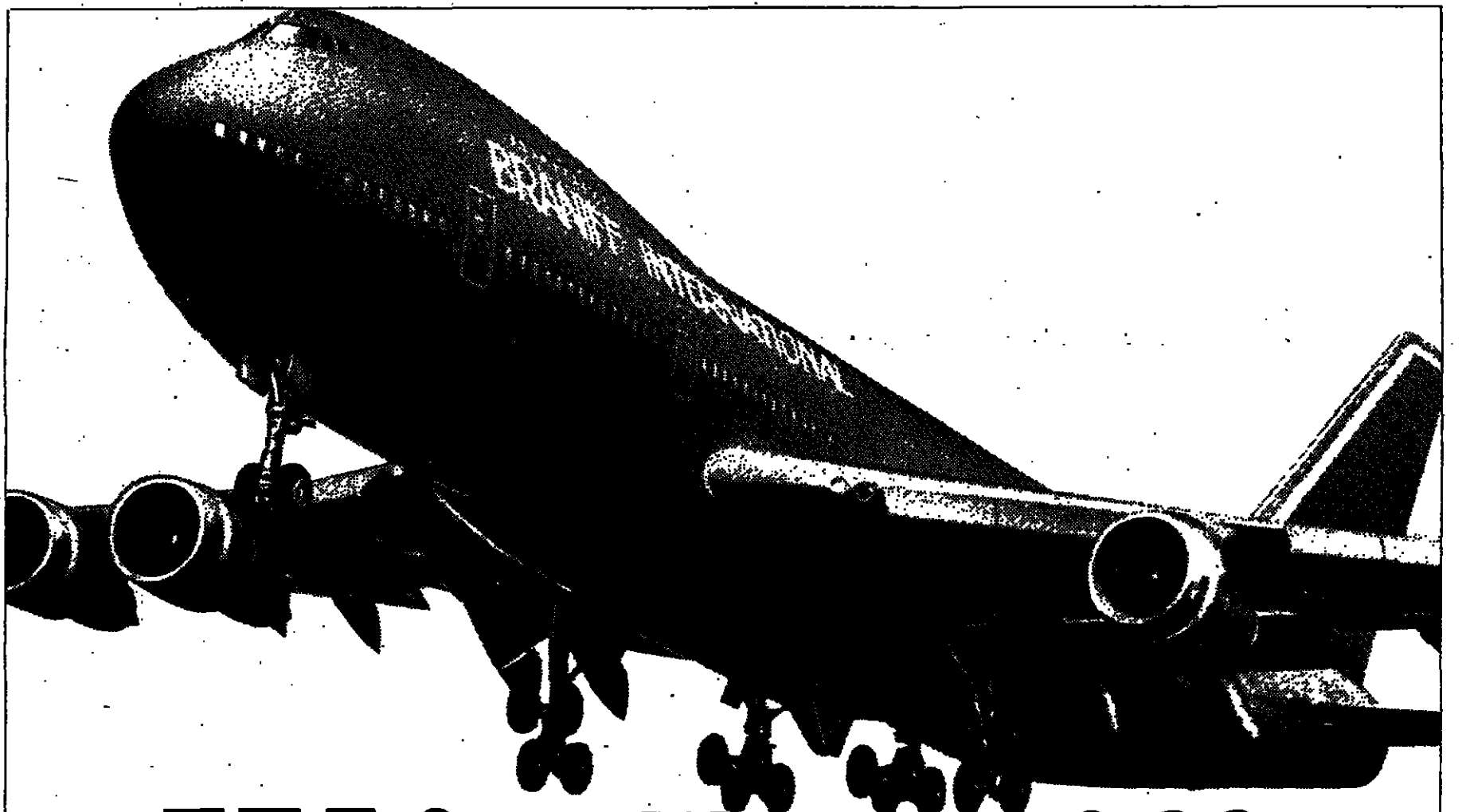
If they are, an individual contributor would be limited to a \$5,000 total for all Kennedy committees. If they are not connected, an individual contributor could give up to \$5,000 to different Kennedy committees until the \$25,000 limit is reached.

\$2 Million in Gems

Are Stolen in U.S.

HAWTHORNE, Calif., Oct. 4 (UPI) — A jewel merchant en route to Saudi Arabia on a sales trip was robbed Tuesday night of more than \$2 million in jewelry by two men in a hotel parking lot, police said.

Robert Ogilvie, 41, of Newport Beach, told police that one man addressed him by his last name while the other grabbed a briefcase containing the jewels. The robbery took place, he said, after he, his wife and three friends left the hotel after dinner and then discovered his car missing from the lot.



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The Dollar Dilemma

The annual crisis of the dollar seems to have arrived three weeks earlier than it did last year. The causes are similar to those of the dollar's troubles last October. Inflation in the United States is high, and the traders fear that it may go higher. Inflation in West Germany is low, relatively, and investors are trying to take advantage of it. But two things have happened over the past year that make the management of the dollar more difficult this time. The worldwide flight from money has picked up greater momentum, driving up the price of gold. The latest surge in oil prices has simultaneously aggravated all the other strains in the worldwide balance.

All of those things are the causes and effects of each other. Higher oil prices send more dollars, by the billions, to the Middle East, and much of the frantic buying of gold seems to be coming from Middle Eastern oil-exporting countries. Higher oil prices make inflation worse throughout the industrial world. West Germany has responded by raising interest rates. That gives Americans a choice between further increasing their own interest rates or watching their dollar drop against the Deutsche mark. Currently they are gloomily doing both.

In response to last October's dollar crisis, the United States properly began with a renewed attempt to get inflation under control. President Carter announced a program of voluntary guidelines. That's the dilemma:

Guidelines are useful, but they wear out rapidly and leave a residue of cynicism.

The Carter guidelines of last October might have lasted longer if inflation had turned downward, as the administration expected. But it had miscalculated, stimulating the economy too strongly. The Teamsters settlement in the spring breached the guidelines. The United Auto Workers settlement last month destroyed them. Now the president has revived them in a form that is a little looser and a little different. But the idea is the same — to try to keep the lid on, to persuade people that they have a common interest in restraint, to remind the violators that they are hurting their neighbors. The president has brought the labor unions directly into the process this time, a tactic not only necessary but also desirable for an election year. He has recruited John T. Dunlop to preside over the renewed effort, suggesting a return to private negotiation and intricate settlements shrewdly designed to avoid inflammatory precedents. How will it work? It will buy a little time. The real question is how that time is to be used.

Meanwhile, an international effort will stabilize the dollar again, temporarily. Americans will again be left to reflect that the currency, the inflation rate and the price of oil will remain essentially unmanageable until the United States finds a way to manage all three together.

THE WASHINGTON POST.

Good Diagnosis, Bad Cure

A lot of people are hoping that the six — count them, six — commissions currently investigating the Three Mile Island nuclear accident will once and for all answer the question of whether nuclear power is safe — or whether it is such a complex technology that it cannot be adequately managed no matter how closely regulated. This is a misplaced hope. The question cannot be answered now for the simple reason that no one knows how a well-regulated nuclear industry would behave. And that in turn should suggest what the various commissions — in particular the Kemeny Commission appointed by President Carter — should be thinking about.

No one yet knows, for example, whether the kind of stupid human error (paper clips in the switches, turned-off valves, etc.) that has turned up so often in the nuclear industry reflects an inevitable limitation of human capacity or is merely the result of slipshod recruiting, training and managing of personnel. So the challenge for the Three Mile Island investigators is not so much to try to answer the grand and ultimate question as it is to point out the more mundane steps needed to make the current system work. Only then will the country be able to judge whether nuclear power can be safely managed.

All this takes up immediately to the doorstep of the Nuclear Regulatory Commission, whose jurisdiction, role and effectiveness add up to the central issue. The president's commission has correctly identified the NRC's chief failing: It spends most of its effort on licensing new reactors and pays much too little attention to regulating the operation and maintenance of those reactors once they are built. There is good historical reason for this. Back in the days when utilities had to be con-

vinced to invest in the new nuclear technology, it was explained that nuclear power was just another way to generate the steam that drives the turbines that make electricity. All a utility had to do, so the message went, was turn the key and run its plant just as it had always done. The tricky bits that required a knowledge of nuclear fission — designing and licensing the plants — would be handled by government experts. This attitude was, naturally, reflected in the priorities of the regulators at the Atomic Energy Commission and their successors at the NRC.

The Three Mile Island accident highlighted what there is a tremendous need for tougher regulation of power plant operation. The nuclear industry, which should be any thing but casual in its approach to the rules, can be sloppy. This is due in large part to the lack of attention given to inspection and enforcement by the NRC.

The non-solution that is reportedly being seriously considered by the president's commission is to strip the NRC of its licensing authority, which would be transferred to the Environmental Protection Agency, thus leaving the NRC, in theory, to focus all its resources on inspection and enforcement. This is a truly terrible idea. Licensing a new plant, and then seeing that it operates in the way it was designed, are obviously two functions that should go hand in hand. The right answer is not to create another example of weird government disorganization for the next generation of presidential candidates to condemn, but rather to make sure that the NRC does the right job — meaning both as the licensor and overseer — and that it does the right job right.

THE WASHINGTON POST.

A Special Grace

At St. Patrick's Cathedral on Tuesday, Pope John Paul II said he considered it "a special grace" to be able to return to New York. To millions who saw and heard him, he was the one who brought a special grace to New York. The visit of any pope would bring out the curious in swarms, but there is an unusual magnetism in this pontiff's sturdy warmth — and complexity.

He brought out celebrities, jammed in among the diplomats in the receiving line at the United Nations, and curbside celebrity-seekers, like the young woman visiting from Illinois who said, "I don't know what I'm doing here. I'm not even Catholic."

But it seemed to us there was more than curiosity, more than celebrity-seeking among the multitudes that cheered the pope's every move. It cannot be expected that a ceremonial visit can accomplish much, but this visit seems to have released a vibrant sense of faith. As might be expected, reverence and respect radiated from faces creased by six and seven decades. Even among the worldly wise at the UN there seemed an eager deference. Still more striking, there was eager piety on thousands of young faces.

This vibrance reflected the enduring yet

sometimes undervalued strength of Catholicism, and religion in general, in the United States. We suspect it also reflects the appeal of a pope, from Poland, who personifies conciliation.

He demonstrated that quality repeatedly in his address to the United Nations. In low-key but careful words, he established his own experience with war: World War II began 40 years ago with the invasion of Poland. He conveyed his understanding of the horror of that era that Jews feel by recalling Auschwitz. A few minutes later, he gratified Arabs by calling for international guarantees concerning Jerusalem and for "just settlement of the Palestinian question."

No papal visit, no entire papacy, can bring so great a challenge to fruition, any more than papal exhortations can guarantee peace. John Paul's eloquent pleadings last weekend for peace in Northern Ireland have already been dismissed by Irish guerrillas in a contemptuous statement of rejection that began with the words, "in all conscience." But there are millions of other Catholics, like those on the sidewalks of New York, who long for conciliation, morality and peace, and they have found a rare spokesman.

THE NEW YORK TIMES.

In the International Edition

Seventy-Five Years Ago

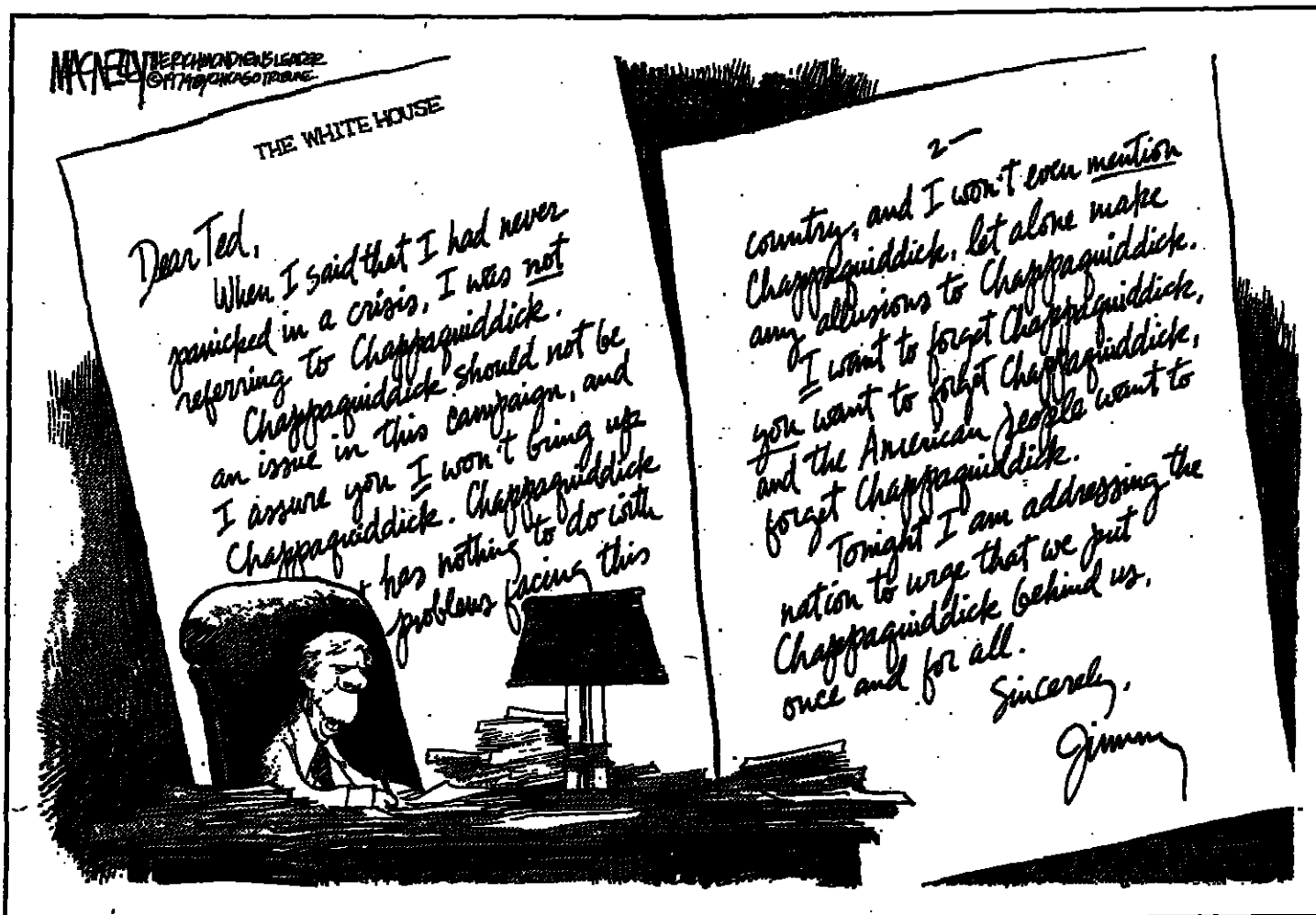
October 5, 1904

NEW YORK — Mr. Clarence Dally, formerly chief assistant at Thomas Edison's laboratory in Orange, N.J., died yesterday as a martyr to science after seven years' terrible suffering. During some experimental work, seven years ago, Mr. Dally's hands and arms were continually exposed to X-rays. He constantly handled highly fluorescent materials, and as a result of his injuries his hands became highly inflamed, as if they had been scalded. Finally his hair and moustache fell out. At first, he suffered no pain other than a feeling of soreness and numbness, but later a cancer developed in the left wrist and steadily spread to his entire system.

Fifty Years Ago

October 5, 1929

PARIS — Yesterday the body of Clement Pessal, better known by his self-assumed title of "Marquis Elie de Champaubert" was found in the woods of Verneuil, 30 miles northwest of Paris. The notorious crook died a slow death by being buried alive, with a leaden tube from his coffin to the surface of the ground which ensured his lingering agony. The crime was perpetrated by a mysterious band, vowed to mete terrible justice to all criminals who are thought not to have been sufficiently punished by ordinary tribunals. The doctor who examined the body concluded that death had come from suffocation and hunger from 24 to 48 hours before the coffin was uncurled.



Exodus Reflects Malaise in East Bloc

By Leopold Unger

BRUSSELS — Had the question not been asked in impeccable German, the policemen would have been convinced that this was an encounter of the third kind.

It was 3 a.m. on the night of Sept. 16 and a voice from the strange craft had asked: "Are we in the West?" The policemen who saw the eight persons disembark from the silent spacecraft onto a field near Nails, in Bavaria, did not understand at first that they had just witnessed one of the most spectacular escapes from East Germany to the West.

But the adventure of Peter Strelzyk, Guenter Wetzel and their families is not the only space exploit in the series of flights from the East. In August, Horst Fietze, an engineer and glider pilot, who had never flown a powered aircraft, took his wife and two children up and to the West in a Polish-made light plane. In July, a family of four persons was crowded into a crop duster for the west-bound escape.

Fidelity to Moscow
Within one month's time, those three space machines and hundreds of pedestrians managed to pass through the formidable, yet less than impenetrable line, built at a cost of \$400,000 a kilometer. Since 1961, when the wall between the two Germanys was built, until this week, that of the 30th anniversary of the East German State, more than 800 soldiers of the East German Army threw up their arms and joined in with those they were supposed to stop.

And these were members of an army that boasts of its undying fidelity to Moscow, an army that is used as the backbone of the Cuban expeditionary forces in Africa, which supplies experts to many Third World countries and which seemed to have successfully amalgamated a Prussian tradition with Stalinist ideas.

Credibility
During a recent conference in Brussels on the future of NATO, one of the speakers wondered aloud about the credibility of black U.S. soldiers if they were to be sent to some hypothetical war in Africa. The case of the 800 East German soldiers (800 is a very conservative figure) who, in Lenin's phrase "voted with their feet," brings one to ask when the West is going to begin wondering about the credibility of Polish or Czech soldiers facing, for example, the U.S. Army in a hypothetical conflict, as a major factor in any analysis of a balance of forces between the West and the East.

East Germans have deployed no end of imagination to escape their workers' paradise: from the chauffeur of the U.S. Embassy in East Germany, who smuggled his entire family to the West in a car with diplomatic license plates, to the three medical students who made their own U.S. uniforms and crossed Checkpoint Charlie in a car with home-made U.S. Army plates, and to the Dresden student who snorled across a canal in a pedal-powered minibus.

A Record?
But it is the Soviet escapees who hold the record (not in the Olympic schedule of events) for endurance in this field. Within the last 10 months, a physicist, Alexander N. (whose name must still remain secret) and forestry worker Victor Bublik, walked, crawled and rowed the 4,000 kilometers between Moscow and the Swedish frontier. Alexander was the one who escaped by rowing his rubber dinghy from Murnansk, and Bublik was the one who crawled through the drains under the Finnish-Soviet frontier. Bublik then walked through Lapland without stopping to inform the Finns of his plans.

The record for escapes quite naturally belongs to Russians and East Germans, who fled from the strongest, most totalitarian and most thoroughly police-ridden countries of the East. Just asking for a passport in those two countries is enough to be considered a suspect. A passport is always a privilege granted by the regime and wanting to emigrate is a reasonable act.

In East Germany, 70 of those who did not receive a passport and still tried to flee were shot to death while trying to cross the wall. Thousands of others, many of them wounded, were thrown in prison after their attempts to escape had failed.

Desperate

Some are so desperate to get out of their paradise that they allow themselves to be caught after only the most perfunctory attempt to flee. They are then sent to jail, but there, they have the hope of being bought up by Bonn. The buying process now has been fairly formalized: The cost of an average East German prisoner is \$10,000 a head (doctors and scientists are more expensive) in currency or in Western products. About 16,000 prisoners have been bought up by West German taxpayers in the last 10 years and there is always a fresh stock of merchandise in East German jails.

Yet the limelight focused on the escapades of such stars as Godu-

nov, Koslov, Protopopov and others must not obscure the total scene. These artists — of one form or another — left to free themselves of the artistic shackles binding the cultural life behind the Iron Curtain, but many other persons, of all professional and social categories, find a wide variety of reasons for risking their lives in similar attempts to find freedom.

Furthermore, the escapes of such political stars as Gen. Ion Pacepa, once a close aide to Romanian president Nicolae Ceausescu; Arkady Shevchenko, a former assistant secretary general of the United Nations; Peter Schaefflich, a top-level member of the East German Foreign Ministry, or Victor Belenko, who left with his MIG-25, were arranged for varied — often secret — reasons as international events tend to show.

Had Enough

The real significance of the exodus lies elsewhere; it is in the evident fact that the elite of East Europe, those very persons who have made it possible to overcome the burdens imposed by a retrogressive political philosophy, have had enough of a seemingly meaningless struggle.

Within the last few weeks, world champion ice skaters, swimmers, a philosopher, doctors, athletes, doz-

ens of musicians, an East German journalist in Singapore, three students in Greece, engineers, workers, and dozens of sailors from every country of Eastern Europe took advantage of a stopover in the West to walk, swim, jump, fly, crawl and run to freedom.

And all of this because, as one of the balloonists put it: "We couldn't take any more of this regime of the eternal lie."

The best political comment concerning this exodus was one recently made by a young man who ordinarily would be called naive: "Why is it that no one in the West tries to flee to the East?"

Speak for Yourself

A less childish reaction can be found in one of the latest anecdotes to come from Moscow, and published in "Forbidden Laughter" (Soviet Underground Jokes) compiled and edited by Emil Draiser, in Russian and English, and printed in Los Angeles.

Brezhnev is talking to Kosygin. "The devil only knows what is going on. Everyone's running away. If you were to declare free emigration, perhaps only the two of us would remain here."

"Kosygin, avoiding Brezhnev's eyes, mutters:

"Leonid, please speak only for yourself."

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Threat of Global Depression

By Robert Lekachman

ready added \$77 billion to world energy costs.

Up to now, all parties have financed oil imports without actual calamity mainly because OPEC has recycled many of its \$60 billion annual surplus as deposits in Chase, Citibank and other money-market institutions, and they in turn have extended large loans to Third World borrowers.

These commercial credits are an indispensable complement to the inadequate efforts of international agencies. This year, the World Bank's \$10 billion of loans to developing countries met only a fifth of their aggregate deficit, and continuation of aid even on this meager scale is threatened by a House of Representatives vote to withhold U.S. contributions to the World Bank if any part of the loans assist Cuba or Vietnam.

Essential Loans

During the 1920s, World War I's winners excluded the German exports that might have financed reparations. In our time, the rich countries seem equally reluctant to allow Third World merchandise to swamp consumer markets and imperil domestic jobs and profits. Under the circumstances, new loans are essential to keep the Third World afloat as they were to prop up the German economy half a century ago.

Glum possibilities are numerous. U.S. banks may decide to swallow

their losses and pull out of the poorer parts of the Third World. Large

debtors may default. On either political or economic grounds, OPEC may withdraw deposits from Western banks. One or more of the latter might close its doors. Any of these events and their repercussions would severely test the adaptive capacities of central banks, governments and international agencies.

Most such calamities of conjecture never occur. Such consolation as this platitude conveys should be tempered by the weakness of cooperative efforts to resolve foreseeable problems. In the next decade, the world's economic health hinges upon two sets of difficult choices. Will the developed nations set aside intramural squabbles and involve common responses to OPEC and the remainder of the Third World? Will OPEC, the globe's powerhouses, begin to price its oil with the restraint appropriate to a novel role as a dominant creditor? It is barely possible that just as the imminent prospect of execution powerfully concentrates a man's mind, looming economic disorder will have opened a degree of international cooperation hitherto unprecendented. Don't bet your last ingot on human rationality.

Robert Lekachman, professor of economics at Lehman College of the City University of New York, wrote this article for The New York Times.

Letters

Carter's Swearing

"I'll be damned if I'll send my wife into your district for a fundraiser," one congressman reported President Carter as saying in retaliation to House members consistently voting against him (HRT, Sept. 22-23). The president was also quoted as saying: "Damn it, I'm a fighter. I'm tenacious. I don't give up." Finally, the president was reported to have said: "We believe in rewarding our friends and punishing our enemies."

These remarks are undignified and unbecoming to a president of the United States.

Moreover, one cannot help wondering what has become of Jimmy Carter's professed Christian religion with which the above swearing is certainly incompatible.

Carter's proposed dealings with his enemies are, from a Christian viewpoint, a clear violation of the words and the spirit of the Sermon on the Mount.

Does Jimmy Carter belong to

those people who under conditions of adversity lose their belief in religion? If so, he must be thoroughly pitied.

WILLIAM FLEMING,

Wadsworth, Switzerland.

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Commission Postale No. 24-231

Building The Cuban Molehill

By Anthony Lewis

BOSTON — It was awkward, gory on a self-inflicted wound and performed well enough considering the difficulty. But it seems to have been whether President Carter's speech can repair the damage done to the strategic arms treaty by his own administration's foolishness over Soviet troops in Cuba.

The best thing about the president's speech was what he did say. He did not announce that U.S. aircraft carriers, or that the United States was taking major military action against the Soviet Union, resisted urgings that he make a pipsqueak affair the occasion for confrontation with Moscow.

And pipsqueak it is. It turns out that this Soviet military unit has been in Cuba for years. It has a strength of 2,000 to 3,000 soldiers without a single tank. Such a force, because of its size, is patently a pipsqueak of a great power, is patently

Triviality

The triviality of the "three could and should have been made clear by the administration at the start, a month ago. Instead the State Department fed an alarmist intelligence report to Sen. Frank Church, D-Idaho, who puffed up his polemic chest. Secretary of State Cyrus Vance, who of all people should have known better, called the Soviet brigade "a very serious matter." And then the president said "It status quo is not acceptable."

The ambivalent words about "status quo" were an even worse take than infusing a misleading intelligence report. For they raised expectations that the Russians might agree under pressure to pull out the brigade — which was never a serious possibility.

When the president spoke the other night, his problem was that he had to take the episode seriously, why make a speech at all? So he announced such fearsome steps as the establishment of a new 60-man task force headquarters in Key West, B. He made clear a modest character of the Soviet unit and put back into the larger perspective a superpower relations.

Carter rather underplayed on diplomatic gain. This was the Soviet Union's undertaking not to enlarge the unit in Cuba or to change its stated function as a "training center." Even more important, the Russians have reaffirmed their commitment, made at the end of the missile crisis in 1962, not to introduce offensive weapons into Cuba.

After the 1962 crisis, books were written to explain how the Kennedy administration had dealt with it successfully — by a careful, skillful combination of diplomacy and politics. Someone ought to write a book about this episode as a bad example of politics and diplomacy mixed in a disarray between the executive and the Senate.

For Carter there is a redemptive end to the tale: the effective handling of the speech and the ruling of the court. The ruling, which he brought in to build consensus, the approach bore the stamp of the president's new counsel, Lloyd

The Senate comes out of the fair with little glory except for the majority leader Robert Byrd, who said it was "senseless to demand change in the status quo" until he knew more precisely what the status quo was. "Church treated the status quo as a treaty as less important than his re-election. The Senate, notably, Howard Baker, voted with Church in opportunism," he wrote after the Carter speech. "In a way, the administration had dealt with it successfully — by a careful, skillful combination of diplomacy and politics. Someone ought to write a book about this episode as a bad example of politics and diplomacy mixed in a disarray between the executive and the Senate."

If the debate in the Senate and the United States can now get the treaty to the merits of the treaty, it may prevail. For the remarkable thing is that the opponents did not try to glove on in the long committee hearings. They showed that the treaty does not reduce nuclear armaments as most of us wish it would. But they could not get away from the essential truth that it imposes some ceilings, in particular limiting the Russians from exploiting their present advantage in heavy weapons.

Of course there are some who oppose the treaty for an unmanageable reason. They dislike the Soviet game so much that they do not want to make any agreement with it, one to avoid mutual annihilation. But I think few Americans would take that view — just as few outside of Washington were affected by hysteria over the troops in Cuba.

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International Herald Tribune, S.A. en capital de 1.200.000 F.R.C. Paris No. 73 B 712

179101, Avenue Chateaubault, 92011 Neuilly-sur-Seine Cedex

Tel. 747-12-23, Telex: 342118 Herald, Paris Cedex 12, France

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Iranian Official Says Regime Won't Export Revolution

Many employees of the national oil company have recently lost their jobs in an apparent purge by supporters of Ayatollah Khomeini. Mr. Ebrahimzadeh said the firings were aimed at halting corruption in the finance department.

8 Men Executed For Rebellion, Sabotage in Iran

The eight persons executed today included two Arab guerrillas charged with bombing a mosque in the southern ethnic Arab city Khorramshahr last summer, blowing up railroad tracks and attempting to destroy oilfields. At least 11 persons died in the mosque bombing.

The executions brought to 623 the number of death sentences passed since the shah was overthrown in February.

Meanwhile, volunteers joined today with revolutionary guards to search the wrecked train for more bodies from yesterday's bombing outside Khorramshahr. The newspaper Kayhan said that the death toll might go up to 40. Authorities confirmed eight killed, but said that there were many more persons on the train.

TEL AVIV, Oct. 4 (AP) — A bomb exploded today at a soldiers' hitchhiking station near Ashkelon, north of the occupied Gaza Strip, the state radio reported. There were no injuries in the blast.

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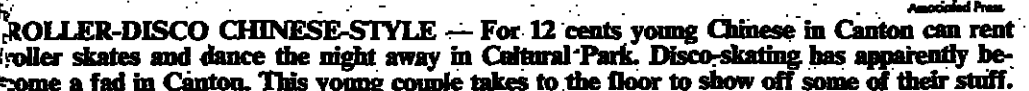
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China Believed Revising Stance on Liu

By Jay Mathews major political report of the 8th party congress in 1956. Mr. Ye, in ing would have to present a ne
verdict on Lin.

BEIJING, Oct. 4 (UPI) — An extraordinary photographic exhibit displayed today in a great hall a political villain of the last 13 years, former president Liu Shaoqi, returning to favor in a major revolution of official Communist history.

The pictures of Liu, including those that give him prominence almost equal to that of his nemesis, late chairman Mao Tse-tung, were appeared at a new exhibition of Chinese Communist Party history in a museum alongside Tiananmen square. Since Liu's purge in 1966 which began the tumultuous Cultural Revolution, he has been publicly reviled here as a counter-revolutionary and "renegade" who slipped into the garbage heap of history.

The pictures are perhaps the most startling of a series of hints of a new attitude toward Liu appearing in official press in recent months. The complete rehabilitation of Liu, a complete reversal of the official line, is one diplomat here would be "like the Americans rehabilitating Joe McCarthy."

His speech, lauded the "major documents" of that congress, which he said "continue to be of great importance in guiding our work."

Mr. Ye disclosed that at an appropriate time the party Central Committee would hold a special meeting to sum up party history of the last 30 years, particularly the Cultural Revolution. Such a meet-

The first vivid sign of the return of Liu's good name came in January, when Liu's widow, Wang Guanyang, reappeared for the first time in public since 1966. A month later, the Peking Daily reported the birth of Liu's daughter, Xiao Xiao, who scored high on her college entrance exam and been admitted to prestigious Peking University.

Opposition Chief Is Ousted From S. Korean Assembly

SEOUL, Oct. 4 (UPI) — Pro-governor legislators today ousted the major opposition party leader from Parliament.

A group of 159 deputies, protected by more than 500 plainclothesmen, voted in a closed meeting to expel Rep. Kim Young-sam, head of the New Democratic Party, from the one-house National Assembly.

Mr. Kim, who has become a rallying point for dissidents, calmly accepted the news and said, "It is a bell-tolled for the death of democracy in the country. Pitiful are our people who are the owners of the country."

The ruling group recessed the assembly until Oct. 15 after passing the expulsion motion, rare in South Korea.

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The meeting by pro-government lawmakers was held in a room in the assembly building because 67 members of the NDP — virtually the only organized opposition to the martial law government — occupied

BOCHUM, West Germany, Oct. 4 (AP)—A state court yesterday ordered Bavarian Premier Franz Josef Strauss not to repeat his allegation that Egon Bahr, executive secretary of the Social Democratic Party, instigated an attack against him last month.

During a recent press conference, Mr. Strauss said that he had information that Mr. Bahr was behind a noisy protest at which eggs and tomatoes were thrown at him during a recent campaign appearance in Essen.

Mr. Bahr denied having anything to do with the attack. He and the SPD filed suit against Mr. Straus after the Bavarian premier ignored their demands for a retraction.

The opposition lawmakers learned of the closed proceedings and rushed to protest, but were stopped by a wall of parliamentary guards who blocked all entrances and corridors.

Mr. Kim said his ouster is political retaliation for his outspoken stance against Mr. Park's strong rule since Mr. Kim's election to the party leadership last May.

Pro-government circles listed nine reasons for punishing the opposition politician. They included Mr. Kim of resorting to "flunkeyism" to achieve his political ambition.

Some of the accusations were based on Mr. Kim's recent interview with *The New York Times* in which he referred to the presence of 40,000 U.S. troops in South Korea as Washington's interference in his country's internal affairs.

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For champions only —
the Arc de Triomphe page 8W
Sister Sledge sallies
into Europe page 9W
Flocking to Frankfurt
for the Book Fair page 9W
Europe's recording business
takes a tumble page 10W

Weekend

The Great Wine Marathon: Gaston, They're GAINING on Us!

by Justine De Lacy

CAPITAL
GAINS
RESEARCH

An Australian Pinot noir whipping the pants off a Clos-de-Vougeot? A 29-franc Spanish Rioja pie-eating a 1964 Chateau Latour? A Riesling from New Zealand outpunching the contender from Alsace? With the publication next Wednesday of the October issue of the Guide Gault-Millau, the old and wine magazine, Gallic chauvinism may be dealt a blow from which it will never recover. To see how French wines stack up against those from around the world, Gault and Millau gathered 800 wines from 33 countries and invited an international panel of 62 wine experts from 10 nations — restaurateurs and sommeliers as well as professional oenologists — to sample them blind. The surprising, often controversial results of this "World Wine Marathon" take up most of their October issue. Unlike many comparative tastings, the marathon was not restricted to great wines. Ineluctably sipping, swirling, sloshing and spitting, the 62 judges tasted everything from Retz to Rioja, from Hungarian grape juice to the effluvia of the Sauternes of France. Parties may call over a category or two — the Spatlese or Riesling group, for example, where Sauternes, Anjou late harvest Alsatian wines, and sweet wines from Germany were summarily lumped together — but they'll find it hard to fault the organizers for lack of thoroughness. "If I hadn't participated," says Paris wine merchant Steven Spurrier, who was on the English panel of judges, "I probably would think less of the results. Comparative tastings are often inconclusive, especially when you're tasting such different styles of wine. But the marathon was fantastically well organized. Each glass had the proper amount of wine and each wine was served at the right temperature, which is not always the case at some tastings. The waiters appeared precisely on cue. Chit chat was kept to a minimum. It was very serious."

A rigorous pre-selection eliminated more than half the wines, leaving 330 in competition. Not all wines competed in all categories — the French, predictably, didn't have a contestant for the German-style Riesling division.

Since the Spanish and the Portuguese age their wine in wood for up to five times as long as any other, these were judged separately. Italian wines were also considered to have characteristics requiring a special category.

To avoid the kind of situation that occurred at a 1977 international wine competition in Budapest, where an Algerian table wine was rated above great Bordeaux, Pomerol La Concellan, because the wines were judged solely on their technical merits instead of on a combination of technical qualities and taste, marathon judges were divided into two groups: oenologists who graded the wine on how well it was made, and "grands connaisseurs," who judged its taste. The wine's final rating was the average of the two grades.

Gault and Millau are careful to state that they did not intend the marathon to be a definitive "wine sweepstakes" but only a comparative study. While hedging their bets, they stress the subjectiveness of the art of wine tasting. (Any

art that takes place almost entirely in the nose is pretty subjective, all right.)

Despite such circumspection, the marathon was regarded with suspicion in France even before the results were in. Back in 1973, Gault and Millau were the first to warn the French that California wines would surprise them some day. Since then, some consider them harbingers of doom. A French newspaper recently accused them of "assassinating French wine." French wines can't be compared to any other wines, the paper said, and it was silly to try.

There is a basis of comparison — the grape variety, counters Christian Millau. "Furthermore, it is ridiculous for us to feel threatened by the fact that other countries are making good wine. In California, for example, almost all of the best wines are drunk locally. There's a tremendous demand. The East Coast even has trouble getting a share. How could these wines possibly be a threat to France? When we first wrote about how good California wines are, we got attacked by a lot of people in France, especially the winemakers in Bordeaux. But they are finally beginning to realize how silly this is."

Says Pierre Tari, the owner of Chateau Giscours and president of the Union of Grands Crus of Bordeaux, as well as one of the most dynamic, forward-looking men in the French wine trade, "I'm glad they're making such good wine in America today. As American wines get better, American palates will improve. The market for good wine will increase, which can only help us sell our Bordeaux."

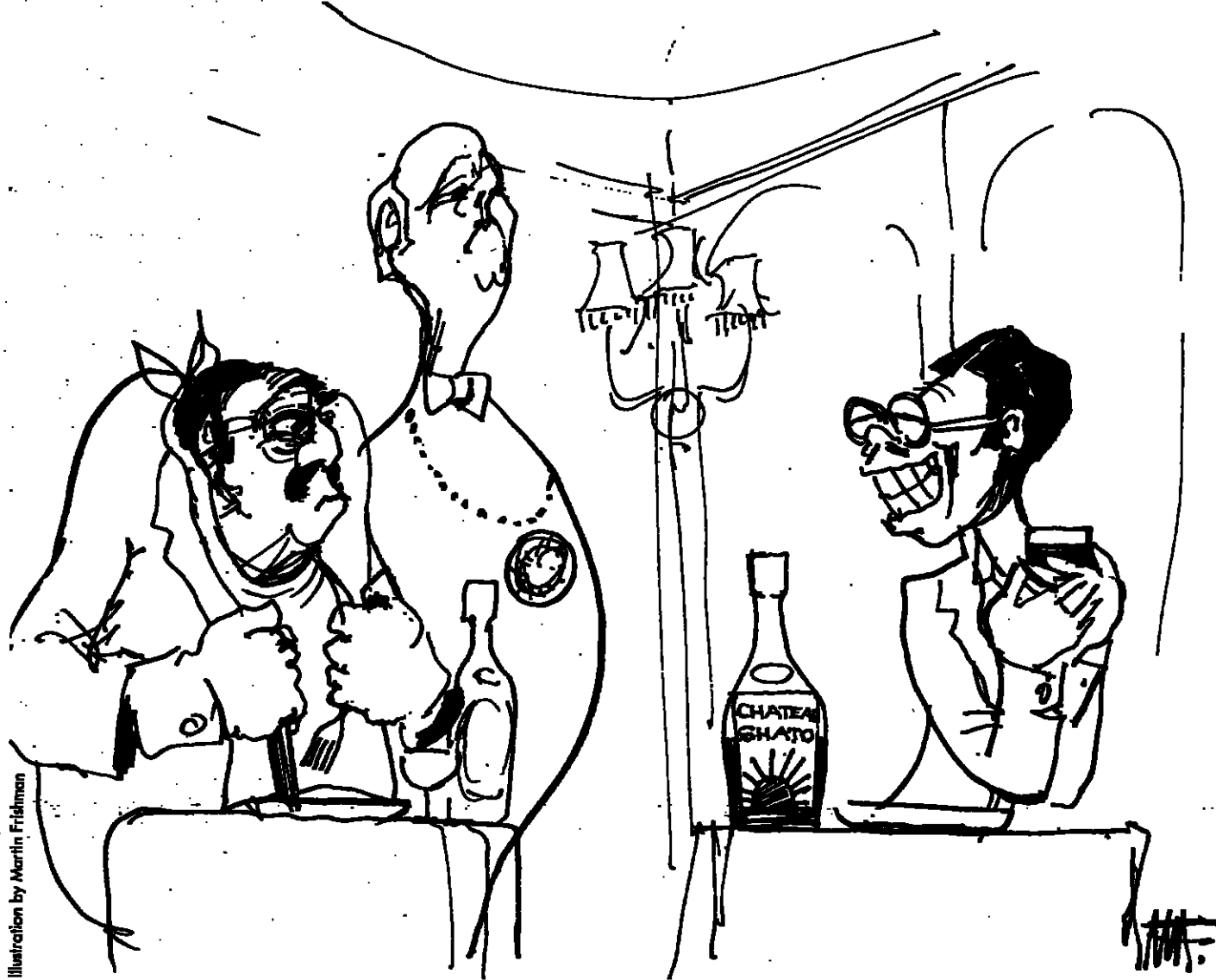
If the French are not exactly ecstatic about the marathon, Americans living in France may well be. All those years of being mercilessly tamed by the French just because you came from the country of Ketchup and Coca-Cola, worthless Wheaties and dead bread may be over. (Coca-Cola, just for the record, is the new proprietor of California's Sterling Vineyards. Sterling's 1977 Sauvignon topped first place in the Touraine and Graves-type category.)

Some marathon results, classified by grape variety:

The Chardonnay category — this is the grape used to make the great white Burgundies — proved a debacle for France. California Chardonnays took first, second, fifth and sixth places (Trefethen '76; Robert Mondavi '77; Spring Mountain '77; and Freemark Abbey '75, respectively). Third place went to an Italian wine (Pinot Bianco del Collio, Mario Schiopetto '78), fourth to an Australian (Tyrell's '77). (The French managed to even the score with the reds. Nevertheless, just seeing American wines do this well is likely to shake up any winegrower worth his Limousin oak.)

In the Sauvignon division (the grape used to make white wines from Touraine, Sancerre, Pouilly Fume and Graves), first and third places went to California wines (Sterling's '77 Sauvignon; Spring Mountain '76; respectively), while second went to an Italian wine (Sauvignon delle Venezie Enofrionia '78). Not until fourth place did France score with a 1978 Sauvignon de Touraine.

Other surprises: A New Zealand white placed first in the Alsace Riesling category, ahead of a Riesling from Alsace. In the German-style Riesling class, Smith-Madrone's 1977 Johannisberg Riesling from



California placed first, beating out both Swiss and German wines.

England won in the Muller Thurgau category (a cross between Riesling and Sylvaner grapes), which is nice for England, because that is the only wine England makes. (England has about 200 hectares of vines. Sixty producers in Suffolk, Essex, Kent and various other counties produce Muller Thurgau, which has a taste similar to some Rhine wines.)

The best wine for your money today? Buy Bulgarian, Gault and Millau exhort their readers. The good news: It sells for as little as two francs a bottle. The bad news: You have to go to London to get it. Spanish Riojas are also a bargain.

The world's worst? Chinese and Japanese wines. "We have tasted certain sweet Chinese wines which were very nice," says Christian Millau, "but the dry wines have a long way to go before becoming even acceptable."

Hungary is making some very good wines today, particularly the red wine called Bull's Blood, the Gault-Millau report says, and Tokay, but Hungarian wines are mixed too much.

Chilean wines are the best in South America. (A 1975 Chilean Cabernet, Maipo, Concha y Toro, placed second in one of the series of red Bordeaux-style wines, followed by two Argentinian wines. All three came in ahead of a 1970 Haut-Medoc.)

Switzerland is producing some remarkable red wines today, Gault and Millau write, and Romania, some nice whites. A 14-franc Romanian wine (Carpaten Bogen Steinger Edelbeerlese '76) placed fifth in the very sweet white (Beerenauslese) category, trouncing two Austrian wines that sell for 144 francs each. But then there's the train fare to Romania to pick it up. *Eh, oui.*

More news: By the year 2000, the Soviet Union, which is the world's third-largest wine pro-

ducer, will probably be the first. Gault and Millau say they had trouble getting enough samples of Russian wine, but from what they did taste, it has about as much bouquet as ozone. "It's mediocre at best," they write.

Their assault on French chauvinism notwithstanding, the authors are not above a bit of good, old-fashioned chauvinism themselves. California may have the world's finest oenological institute (University of California at Davis), they point out, but its winegrowers still prefer French oak casks to "le redwood." As for Zinfandel, a wine unique to California, Americans may have nicknamed it "California Beaujolais" because of "its fruit and charm," they write, "but it is still very far — in fact, has nothing to do with — our Beaujolais."

As for Germany: "The German taste for sweet wines is well known, especially for sweet red wines," Gault and Millau snipe.

Then there are the Japanese. Japan is producing about 200,000 hectoliters of wine a year these days, and the Japanese have taken to sticking French-style labels on their wine bottles complete with fictitious appellations (*premier grand cru classe*, for example) and imaginary Nippon chateaus. (Nothing bugs a Frenchman like a *faux chateau*.)

To make matters worse, in the red Burgundy competition, an Australian Pinot Noir (Tyrell '76) was awarded first place over a 1969 Clos-de-Vougeot. That after a Spanish Rioja (Miguel Torres, 1970) outranked a 1970 Chateau Latour, a 1964 Pichon-Lalande, and a 1961 Chateau Mission Haut Brion in the miscellaneous great red wine division. *Eh, oui.*

Given such devastating results, who couldn't resist stacking the deck a teeny-weensy bit? Somehow or other, a 1961 Chateau Trotanoy was entered in the Cabernet-Merlot (red Bordeaux-style wine) competition. It's hard to imagine any wine beating this great Promerol, and none did. France took first place in all four of the red Bordeaux series, twice with the Trotanoy '61. The other two first-place winners were a 17-franc, non-millesime St. Estephe (Nicolas) and a 1964 Graves (Domaine de Chevalier) selling for 92 francs.

Right on the Trotanoy's heels, however, came a pack of forsy California Cabernets: Clos du Val '75 — made by Bernard Portet, the son of the regisseur of Chateau Lafite now settled in Napa Valley — won second place in the first red Bordeaux-style competition. Second through fifth places in the second round were also won by California Cabernets (Freemark Abbey '74; Robert Mondavi Private Reserve '75; Burgess Cellars '76; Beaulieu Vineyards '70, respectively).

In the two Bordeaux series in which it was entered, a 1950 Chateau Latour, considered perfect for drinking right now, placed only sixth and ninth, in the latter case, just after a Yugoslav Cabernet. A Bulgarian wine (Cabernet, Centre Viticole d'Assenovgrad, 1970) came in 12th, ahead of a 1974 St. Julien and a 1975 Llistrac, and Chappellet's 1975 Cabernet from California.

France took first place again in the Cotes du Rhone-style category (Syrah grape), followed by three California Syrahs and an Argentine Syrah of Barancas Fichman, and also won first through fourth places in the sweet white category (Spatlese, Auslese) with two Gewurztraminers (Hugel '67; Leon Beyer '71) a Tokay d'Alsace (Hugel '76) and a 1962 Chateau Siglas-Rabaud Sauternes, which came in fourth. So there. You don't have to feel sorry for the French.

"The French keep crowing about being the best in the world," Christian Millau said the other day in his cavernous offices in rue du Faubourg St. Antoine. "We thought it would be instructive for them to see how French wines really stack up. They did well, except for a few disappointments. But right behind them are a lot of good wines made by other countries. The French can't afford to be caught napping."

The moral of the marathon? "The French aren't the only people in the world making good wine today." Wait a minute. You mean they really thought they were? *Eh, oui. Eh, oui.*

Bologna Rediscovered the Humanism of Its 18th-Century Art

by Paul Overy

It may come as a surprise to some that the vast series of exhibitions of the 18th-century art and architecture of Emilia-Romagna on show this fall in Bologna and other towns of the region is the 10th in a series of biennales devoted to the art of the past (Biennale d'Arte Antica). But the center of Eurocommunism, generally regarded as the best-run city in Italy over the last 30 years, does not only have its eyes fixed on the present and the future, but also, in the tradition of Karl Marx, subjects the past — and particularly its own past — to analytical scrutiny.

A rich chiaroscuro and modeling influenced by Rembrandt, religious paintings in which both saints and sinners begin to look like ordinary people, portraits of the old and the young, where romanticism and the sentimentality of the 19th century begin to emerge, feathery landscapes in which the classical figures all but disappear, cool palaces in which the drama of staircase and courtyard is hidden behind dignified, sun-baked facades — these are some of the characteristics of 18th-century art in Bologna, an art in which the grandeur and the coldness of 17th-century baroque is humanized and given the scale of the ordinary.

The art of the 18th century in Bologna, as elsewhere, was turning from the concerns and preoccupations of the aristocracy and the church to those of the rising middle-classes, who were just beginning to become art patrons. (Indeed, Bologna and the other main cities of the

region still remain the most "bourgeois" of Italian cities, for all their Communist ties.)

The main occasion of this superbly organized series of shows is, of course, Bologna, *citta dotta e grassa*, a city learned and fat, of intellectuals and gourmets. The exhibits are laid out with the same expertise as the fabulous food of this region is displayed in the city's fine food shops and restaurant windows. Afterwards, the spectator feels replete but not overstuffed, it is so skillfully arranged and presented. There are three main exhibitions in Bologna. The two main ancient palaces in the center of the city — the Palazzo del Podesta and Palazzo di Re Enzo — are linked together to form a large exhibition of Bolognese painting and drawing centered around the Accademia Clementina, the international 18th-century art academy of Bologna. The Museo Civico on the other side of the main square has shows of 18th-century landscape painting, paintings of ruins and a display of architecture and theater design realized through drawings, models and photographs. The Palazzo Pepoli Campogrande (nearby on via Castiglione) has an exhibition of "sacred and profane" decorative arts, including church furnishings, robes, plates and domestic decoration.

In Parma the crumbling and enormous Renaissance Palazzo della Pilotta has been shored up with white-painted scaffolding and wooden floors to create what is undoubtedly the most skillfully staged show of all, "Art in Parma from the Farnese to the Bourbons." The visitor is led through a series of dramatically lit spaces past sculpture, painting and slide shows of architecture — all presented with the panache and theatricality which was the specialty of 18th-century Emilian art.

Bolognese painting of the 17th century was famous throughout Europe in its day. Later dismissed as eclectic, it has returned to fashion for more than a decade. (It has been the subject of several earlier biennales in Bologna.) Yet it is still hard not to find those endless religious "machines" of the Carracci, Domenichino, Guido Reni and Guercino like cold mutton.

The 18th-century painters of Bologna are, by contrast, refreshingly down-to-earth and real. Few of them are familiar, apart from Giuseppe Maria Crespi, who developed a vivid genre style, with deep contrasts of light and shade, and a fondness for anecdotal detail. He is represented by nearly 40 paintings, including the outstanding original "Marriage at Cana" from the Chicago Art Institute, with its dramatically low viewpoint and high-key acid colors. There's also a fine example of his genre style, "The Flea" from the Louvre, outstanding for its low-life detail.

Crespi was commissioned to paint some fine portraits but here his lesser-known son, Luigi Crespi, outshot him. The "Portrait of a Hunter," with broad-brimmed hat, his gun slung behind him, proudly displaying the hare he has shot and his fine-boned hunting dog, is particularly arresting, while the young daughter of the Bargellini family fixes us with an irresistible stare, poised white-faced against the dark green, fringed wallpaper, pug dog huddled to her bosom. Another fine portraitist is Gaetano Gandolfi — generally the portraits by the later 18th-century artists are preferable to their often vapid and overblown religious and historical pictures, although Gandolfi's "Death of Socrates"

is an exception, largely because of the clever characterization.

Theatricality pervaded 18th-century Emilian architecture to the point that it began to merge with stage design. The typical Bolognese portico becomes the proscenium stage, and the courtyard surrounded by balconies and loggias becomes the theater interior with its tiers or boxes. Bologna's Bibiana family built rich and gilt-crusted theaters from Portugal to Russia and even in Brazil. They were particularly active in central Europe: The opera house in Bayreuth designed by Giuseppe Galli Bibiana represents their style at its most refined.

In the little town of Faenza, Count Francesco Milzetti had the Palazzo Milzetti rebuilt and decorated in neoclassical style at the very end of the 18th century. His architects, Pistocchi and Aniolini, and the painter Felice Giani created a small masterpiece of provincial taste which has survived intact because of its obscurity. Restored for the biennale, it will soon become a regional museum of neoclassicism for the region. Ceilings painted in Pompeian style and frescoed classical scenes with heroes and heroines in posed profiles cover the palace filled with simple elegant furniture and local ceramics (faience). They combine to create a calm and civilized interior behind its austere facade.

The exhibitions are open until November 25 and are supplemented by a number of smaller exhibitions in Bologna and also in Piacenza and Reggio Emilia, two nearby towns. Three of the five catalogs for the show are available; those on Bolognese painting and the two exhibitions at Parma and Faenza are thorough and scholarly. It's a biennale worth a detour.



An 18th-century nude, by Mauro Gandolfi, at Bologna's Accademia Clementina.

AUSTRIA
Graz, Styria summer includes on Oct. 10, a world premiere of Mikko Klemens' "Apostrophe," a ballet-opera; Pro Art Ensemble from Graz. Conductor: Karl Ernst Hoffmann, Oct. 11: Den Haag Percussion Ensemble.
Salzburg, Palace concerts continue with Akiko Sogara (Mozart, Schubert and Chopin), Oct. 5.

VIENNA, to Jan. 1980, "Vienna in 1529 — the first Turkish Siege" exhibition in the State History Museum.

BRUSSELS, Palais des Beaux Arts, Oct. 11 at 8:15 in the Salle: Tom Stoppard's "Night and Day" (in French) performed by the Rideau de Bruxelles.

ENGLAND

LONDON, Royal Festival Hall, Oct. 7 at 7:15: London Symphony Orchestra under Claudio Abbado (Brahms: Symphony No. 2; Janacek: Sinfonietta). At 7:30: Royal Philharmonic Orchestra conducted by Yehudi Menuhin with Jeremy Menuhin (piano). (Elgar: "Introduction and Allegro"; Beethoven: "Piano Concerto No. 5"; Brahms: "Symphony No. 4.") Oct. 8 at 8: Maurizio Pollini (Chopin: Liszt). Oct. 9 at 8: London Philharmonic Orchestra under Walter Weller with pianist John Lill (Wagner: "Overture"; "The Flying Dutchman"; Schumann: "Piano Concerto"; Strauss: "Also sprach Zarathustra.") Oct. 11 at 8: Philharmonia Orchestra under Kirill Kondrashin with pianist Stephen Bishop-Kovacevich (Hindemith: "Nobilissima Visione"; Mozart: "Piano Concerto in C"; Shostakovich: "Symphony No. 6.") Oct. 12 at 8: Royal Academy of Arts, Stravinsky Festival, Oct. 5-Nov. 23, the complete orchestra and instrumental works of Stravinsky in 11 concerts under the direction of David Atherton. Program includes on Oct. 5 at 8 in the Royal Festival Hall: London Symphony Orchestra, "Greeting Prelude," "Fireworks," "The Fairy's Kiss," (complete) and "Petruška," (original version). Oct. 12 in the Queen Elizabeth Hall at 7:45: London Sinfonietta, "Fanfare for a New Theater," "Suite No. 1," "Entr'acte symphonique," (first performance since 1921), "Apollon Musagète," "Suite No. 2," "Bluebird Pas-de-Deux," "Concerto in D," "Suite"

Pulcinella." The Three Degrees and the Royal Philharmonic Orchestra will be at the Royal Albert Hall, Oct. 8 at 7:30. In the Purcell Room, Oct. 7 at 2:45: Michael and Doreen Munkett — music in a medieval castle. A concert showing the wealth and variety of sounds available to the wandering minstrel of the 12th and 13th centuries. Instruments include: the portable organ, goshorn, harp and psaltery, pipe and tabor, carillon of bells, hurdy-gurdy, shawm, bagpipes and recorders.
SWANSEA, to Oct. 20, 32nd Swansea Festival includes the London Symphony Orchestra conducted by Claudio Abbado; the BBC Welsh Symphony Orchestra; the Philharmonia; the Welsh National Opera performing

Paris, Festival de France, Theatre des Champs Elysees — Oct. 5 and 6: National Orchestra of the Monte-Carlo Opera under Lawrence Foster Oct. 5: (J. Charpentier, Saint-Saens, Dvorak). Oct. 6: (Weber, Brahms, Prokofiev). Oct. 7 at 9 and Oct. 8 at 8:30: Orchestre du Capitole de Toulouse. Oct. 9 at 8:30: Orchestre de Lyon. Oct. 10 at 8:30: Orchestre de Bordeaux-Aquitaine. . . . Merce Cunningham Dance Company will be at the Theatre de la Ville. Oct. 9-13 at 8:30 and Oct. 14 at 2:30. . . . Guy Lafitte quartet will be at the Club St. Germain until Oct. 13 at 10:30. Tel: 222.51.09. . . . the Artcurial (gallery), 9 av. Maignon, 75008 Paris. Tel: 256.70.70, until Oct. 27: Exhibition including paintings, drawings, ceramics and sculptures. The exhibition continues until the beginning of January and is a preview of the artist's works which will eventually be housed in the Picasso museum at the Hotel de Juigne in the Marais, to open in 1981.

OF SPECIAL INTEREST

JOHANN STRAUSS GALA
A Johann Strauss Gala will be held in the Royal Albert Hall, Oct. 10 at 7:30: London Concert Orchestra directed by Jack Rothstein. Johann Strauss Dancers in period costumes. Geraldine Stephenson, choreographer. Catherine Benson, soprano. Program includes: "Accelerations Waltz," "Persian March," "Artist's Life Waltz," "Radezky March," "Thunder and Lightning Polka," "Auf Ferienreisen," "Cuckoo Polka," "Bandit Galop," "Blue Danube Waltz," "Aquarellen Waltz," "Songs from Die Fledermaus" and more.

PICASSO EXHIBITION
A Picasso exhibition opens Oct. 12 in the national galleries of the Grand Palais, Paris (Tel: 261.54.10). There will be 800 works

on show including paintings, drawings, ceramics and sculptures. The exhibition continues until the beginning of January and is a preview of the artist's works which will eventually be housed in the Picasso museum at the Hotel de Juigne in the Marais, to open in 1981.

SISTER SLEDGE ON TOUR

On their European tour Sister Sledge will be playing at the following places — Oct. 5: Apollo Theater, Glasgow. Oct. 7: City Hall, Newcastle. Oct. 8: Apollo Theater, Manchester. Oct. 9: Odeon, Birmingham. Oct. 11: Gallery Louise, Brussels. Oct. 12: Sonesta, Amsterdam. Oct. 13: Hollywood Club, Eindhoven. Oct. 14: Le Palace, Paris. Oct. 15: De Doelen, Rotterdam. Oct. 16: Atlantic Club, Stockholm. Oct. 17 and 18: Musikleid, Bremen.

Janacek's "The Makropoulos Case," "The Pearl Fishers" and "La Traviata." Tel: Swansea (0792) 50821.

FRANCE

LYON, Palais d'Hiver, Oct. 5: James Brown in concert.
NANCY, The Grand Theatre de Nancy begins its season with "Louise," (G. Charpentier), with Gabriel Bacquier and Felicity Lott, directed by Jesus Elias. Performance at 8:30, Oct. 5, 7 and 9. Tel: (28) 36.78.07.

hibition of works by the Spanish sculptor, Pablo Picasso. Salle Pleyel, Oct. 5 at 9: piano recital in memory of Polish pianist Zygmunt Dyma by his pupil Andre Kondratyevich. Music by Beethoven, Brahms, Debussy, Paderewski, Rachmaninoff, Scriabin, Klatschauer, Chopin. . . . Musée de l'Homme, Palais de Chaillot. Tel: 505.70.60. Exhibition: The North American Indians. Includes skin paintings, totem poles, wooden art, hunting and fishing instruments, masks, etc. . . . Le Palace, Oct. 14 at midnight, Sister Sledge. Tel: 246.10.87. . . . Musée de la Mode et du Costume, 10 av. Pierre-Ier-de-Serbie. Tel: 720.85.46. Exhibition of children's clothes from the 18th century to 1950. . . . Jesse Norman will be at the Theatre de l'Athenes, Oct. 8 at 9. . . . Sugar Blue, Steve Potts, Steve Phillips, Paul Cooper, Cecile Savage, will be at the Chapelle des Lombards until Oct. 23 at 8:30 every night except Sunday. . . . Pavillon de Paris, Oct. 8, the rock group Boston. . . . Theatre Noir opens Oct. 6, 23, the new comedians, Paris 20e. Tel: 797.85.14. Oct. 9-12 at 8:30: Voltage 8. Oct. 9-21 at 8:30: Josy Mass.

STRASBOURG, Palais des Sports, Oct. 12 at 9: John Lee Hooker.

IRELAND

DUBLIN, 21st Theater Festival (Oct. 1-20) includes "A Life," at the Abbey

Theater every night at 8: "Dear John," at the Peacock Theater until Oct. 11, nightly at 8:15; Irish premiere of "Doolally Black Way" (Tom McInyre) opens Oct. 8 in the Edmund Burke Hall at Trinity Arts Center and will be performed by the Caled. Hook Dance Theater nightly at 8: "Captive Audience," (Desmond Forristal), Oct. 8 at the Gate Theater nightly at 8; Irish premiere of "Erpingham Camp and Farnham Games" (Joe Orton) nightly at 8, routine set at 3 in the Gaiety Theater, from Oct. 9; Irish premiere of "Close of Play," (Simon Gray) opens Oct. 9 in the Olympia Theater. Performances Tues-Thurs. at 8, Fri. 5:30 and 8:30, Sat. 3 and 8.

ITALY

MILAN, Autumn concert season at the La Scala Opera House through November. . . . John Surman and Carolyn Carlson will be at the Teatro Alla Scala, Oct. 6-10.

VENICE, In the Teatro La Fenice, Oct. 10-11: Piano Recital by Sviatoslav Richter.

JAPAN

HOKKAIDO, Oct. 8-10: "Marimo Matsuri" festival on Lake Akan, given by the native Ainu inhabitants.

NAGASAKI, Oct. 7-9: "Okunuchi" festival of Shima Shrine, when colorful dances of Chinese origin are performed.

TAKAYAMA, Oct. 9-10: "Takayama Matsuri" of Hachimann Shrine, festival dating from the 15th century with procession of colorful floats.

TOKYO, Oct. 12: "Oshichi" festival of Hommonji Temple in memory of the Buddhist leader, Nichiren, (1222-1282). The people march toward the temple carrying large lanterns decorated with paper flowers.

LUXEMBOURG

LUXEMBOURG, Alvin Ailey American Dance Theater will be at the Theatre Municipal, Oct. 8-10. . . . Oct. 19: "Salon 79" — exhibition of contemporary Luxembourg painters and sculptors.

SPAIN

MADRID, The Orchestre de Paris under Daniel Barenboim will perform in the Theatre Real Oct. 8, 9 and 10. (Mozart, Debussy, Ravel).

BARCELONA, Oct. 31, music festival includes Oct. 5 at 9 in the Palau de la Musica Catalana: Maurice Andre and Edouard Blignani. Oct. 8 at 9 in the Palau de la Musica Catalana: Orchestre de Barcelona, conductor: Enrique Casals. Oct. 10 at 9 in the Sala del Tinell: Frans Bruggen and Gustav Leonhardt. Oct. 11 and 12 at 9 in the Palau de la Musica Catalana: L'Orchestre de Paris under Daniel Barenboim. Tel: (3) 317.99.28.

SWEDEN

STOCKHOLM, Royal Opera, Oct. 6: World Premiere of "Inferno," a new "dance-drama" by Michael Smith. Choreographer: Conny Borg.

SWITZERLAND

ASCONA, 34th musical weeks of Ascona continue until mid-October with Arthur Grumiaux, Nikita Magaloff, Isaac Stern, Nicmar Zabeleta and Rudolf Buchbinder.

GENEVA, Grand Theatre, Oct. 6, 9, 12, 15, 19 and 21: a new production of Wagner's "Die Meistersinger" will be conducted by Horst Stein.

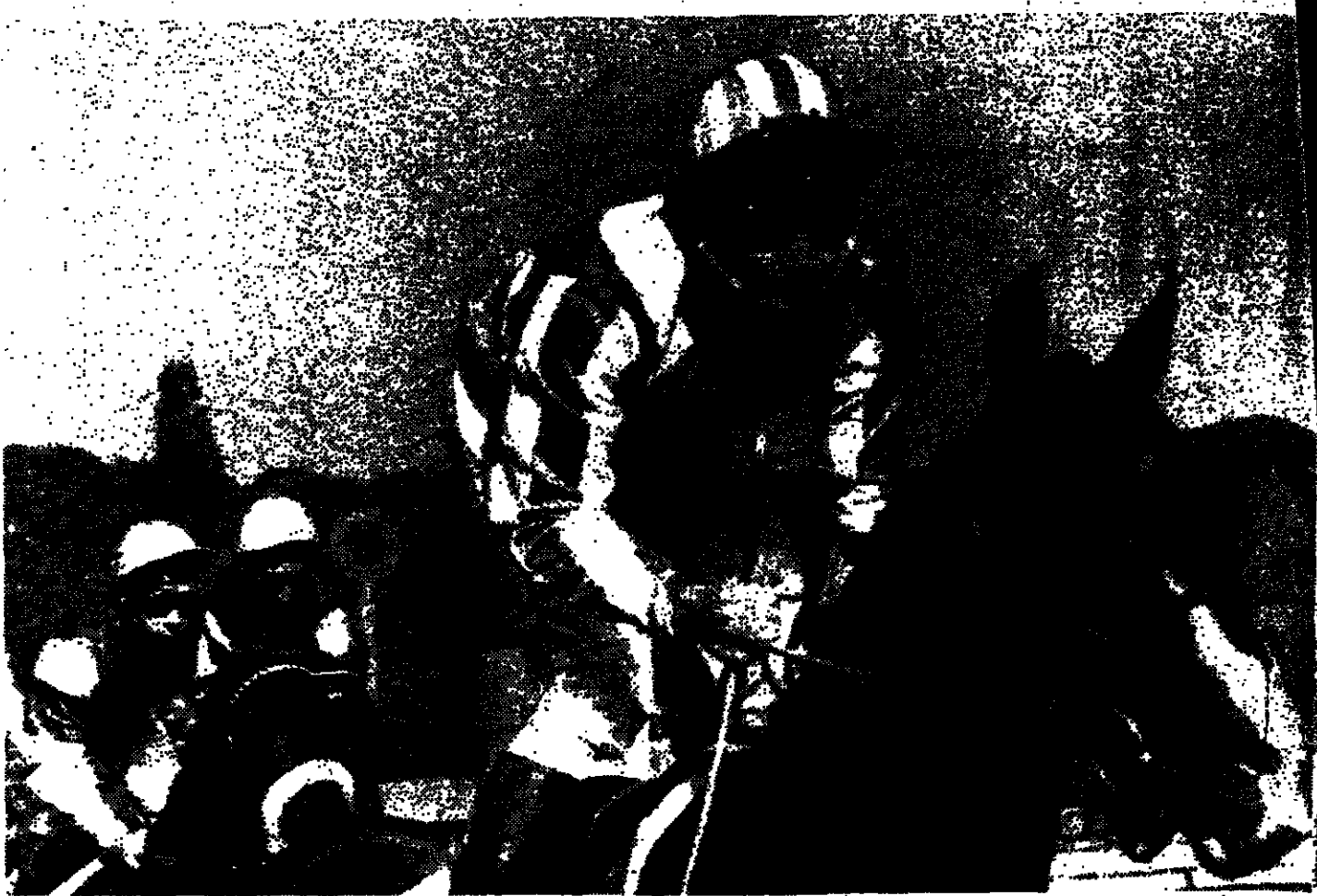
WEST GERMANY

BERLIN, Oct. 6 in the Ernst-Reuter-Saal at 5: Berlin Symphony Orchestra under Theodore Bloomfield with soloist Augustin Anlevas (Borodin: Tchaikovsky: Prokofiev). In the Philharmonie at 8, Oct. 8-10: Berlin Philharmonic Orchestra under Eugen Jochum with soloist Christian Altenburger (Mozart).

HAMBURG, in the Music Hall at 8 on Oct. 12: Pedro Solafo (Flamenco guitarist). In the CCH, Saal 1: Oct. 8 at 8: Harry Belafonte. Oct. 13 at 6:30: John Denver.

MUNICH, in the Circus-Krone-Bau, Oct. 5: Rory Gallagher. Oct. 9: Cliff Richard. . . . In the Sophiensaal, Oct. 11: a piano concert by Jeremy Menuhin in aid of Amnesty International (Beethoven; Debussy; Schubert). . . . In the Olympia Hall, Olympia Park on Oct. 11: The Voice of America — John Denver. . . . In the Kongressaal des Deutschen Museums, Oct. 12: Manhattan Transfer. . . . The Beer Festival ends Oct. 7.

For Champions Only — The Arc de Triomphe



by Robert Skippon

According to Greek mythology, Acamas, son of Theseus and Phaedra, went off to join the siege of Troy. But damage to his ship delayed his return after the city's capture, and the princess who loved him died of heartbreak from the wait. In last year's Grand Prix de l'Arc de Triomphe, the Continent's most important horse race, a horse named after the tardy Greek lived up to his namesake's reputation. Acamas' backers made him the second favorite and waited for him to win the race the way he had won the French Derby — with a spectacular stretch run. Those who didn't die of heartbreak are still waiting. Acamas finished 14th.

This year the overwhelming favorite to win the Arc is a British horse named Troy. Troy has already pulled off the grand slam of winning nothing less than both the Epsom Derby and the Irish Sweepstakes, the King George VI and Queen Elizabeth Stakes and the Benson and Hedges Cup. Now he's trying to top it all with a win in the Arc. His fans are confident he will live up to his namesake's reputation.

And, at the moment of truth this Sunday, a few minutes after 4 p.m., as the field turns into the stretch at Longchamp, once again the public will be waiting for its choice to repeat his spectacular stretch run — the one that carried him to the post seven lengths ahead of the field in the Epsom Derby in June.

History doesn't always repeat itself. Troy may well win. If he does, he will have earned it. The race is a mile and a half over the undulating track at Longchamp, one of the world's most difficult. And the Arc's history is strewn with the wreckage of the reputations of "superhorses" — Nijinsky, Park Top and Kelso, to name a few.

Every horse race is a world in itself. But the world of some races seems much richer than that of others. So it is with the Arc de Triomphe, which will have its 58th running at Longchamp in Paris' Bois de Boulogne on Sunday. It isn't the world's richest race (though its winner's prize of 12 million French francs puts it close). Nor is it the oldest. But it is arguably the most prestigious race in the world — and is certainly Europe's outstanding flat race.

Its equivalent in England or the United States — that is, a race that generates interest far beyond the circle of dedicated racing fans — would be the Epsom Derby or the Kentucky Derby. But these races are both in the spring, near the beginning of the racing season, and both are open only to three-year-olds. The Arc is open to horses of both sexes, three-year-olds and up, and, coming on the first Sunday of October, it occupies a climactic position in the year's racing schedule. Indeed, it is the climax of the European racing season.

For the two minutes or so that the horses are running, they are the undivided center of interest. But in the half hour between races, you soon realize that Arc day can't be boiled down to betting lines, shouts and ferocious drinking by the happy few. In Europe, Grand Prix day is a social event, an occasion for the very rich (and those who wish to seem so) to display themselves.

At an American race track on a big race day, it's salsa, beer, clams, cheap cigars and loud arguments over the ancestry of some horse, jockey or trainer. Tracks are popular in the States. The rich are there, too. After all, they own the horses. But they are dressed quietly and conservatively. In America, racing is the sport of kings — but the kings play it cool.

In Europe they flaunt it. On Arc day, the colored patches among the grey and black morning coats and top hats are designer gowns, not one of which has a twin lurking in a chic off-the-rack boutique near Saint-Germain-des-Près. Racing is the sport of kings in Europe, too, and the kings are there to remind you of the fact. Not that they care very much if you remember it or not. One of the anachronistic elements in Europe racing that romanticizes sight along with hand betting slips, abundant trees and lawns, interminable betting lines and non-existent tote boards, is the cheerful assurance of the rich and their acolytes as they survey their domain — in this case the horses.

The Arc may have been a cemetery for favorites. But great horses have won it, too: Ribot won in twice in the mid-50s — the first time as an

unheralded outsider, a year later as the odds-on favorite who topped home by six lengths to retire undefeated. In 1965, the once-beaten Sun Bird met the unbeaten Ribot, grabbing the lead at the top of the stretch and striding away to win by six, kept straight by pats from his jockey's hand.

In 1974, the phenomenal filly Alexia France, a beaten favorite as a three-year-old the year before, was sent off at 1 to 2 by the public all the same, grabbed the lead four furlongs out, to the terror of her trainer, but a forceful, coaxing ride by Yves Saint-Martin, held off the rush of Comtesse de Loir by a hair. And in the last two years, Alleged, defying conventional wisdom, glided arrogantly from home start to finish under Lester Piggott, the British master of the false pace and the front run.

Victory in the Arc is the gleam in the eye of any European stable owner, though not only Europeans covet the race. Horses trained in New Zealand and Japan have taken on the Arc. The Americans have sent over their invaders. From time to time, a horse from Latin America has tried its luck. The most intense interest in the Arc comes from those with the most involved — the owners, jockeys and trainers. To the owner all breeds having the Arc winner means enormously enhanced stud or syndication value. To the jockey, winning a race of the Arc's class is a highpoint to a reputation, concretely translated into more offers to ride.

But perhaps the trainer's interest is most intense of all. A good jockey is often the crucial difference between getting close to the winner and getting all the money. But the greatest jockey in the world needs a horse ready to win.

This is all the more true in the Arc, where there are so many god horses that a horse in less than peak form has no chance of winning. Gating the horse to that peak is the trainer's job, day in and day out. Winning a race like the Arc is a trainer's highest professional achievement. It means that he or she has succeeded in producing a horse at its best form at precisely the right moment. As this year's Arc approaches, it is clear that every trainer with a serious contender dreams of presenting his or her horse in the winner's circle.

Well, almost everyone. For Zilber, who is starting both Mahmood Fustok's Telescopio and E.L. Stephenson's Trillion, "The Arc is an important race — but there are many important races." Top Ville, record-breaking winner of the French Derby at Chantilly in June, may be Troy's biggest threat. But it's impossible to say what the race means for his trainer, Francois Mathet, because he refuses to speak to reporters.

But not so for W.R. (Dick) Hern, trainer of heavy favorite Troy. In his view, "The Arc is a spectacle. All the key horses are in it against each other." With an understandable touch of chauvinism, Hern adds, "I always wanted to win the Derby [at Epsom], and once I won it, I wanted to win it again." There's no question — he's after an Arc victory.

The Epsom Derby's appeal isn't only chauvinistic. French trainer Francois Boutin, who has entered what may be one of Troy's toughest opponents, Le Marmot, says, "The Derby is the race I most want to win. But he hastens to underscore the importance of the Arc: "Winning the Arc for a three-year-old consecrates him, because it's difficult to have a successful spring campaign and win the Arc both. If a three-year-old does it, he's really best."

Christiane Head, France's only major woman trainer, has entered her mother's Thaur Troitee, Europe's most brilliant three-year-old filly, and also a major threat to Troy. For Miss Head, the Arc is quite simply "the summum, the confirmation of the best." Her father, Alec Head, who owns Jacques Wertheimer's four-year-old champion Gay Meene, adds that "winning the Arc is the crowning achievement in a horse's career because you meet horses of all ages and both sexes. But often," he adds, "the question is form — will your horse be absolutely ready on the day?"

Aage Paus, trainer of Sir D. Clague's impressive Piasia, a three-year-old filly who keeps running better and better at much further distances than she should, feels that the Arc is "The prestige race No. 1, the one I get the most."

And back across the Channel, Paul Cole, who trains Crimson Beau, a four-year-old that gave Troy a good scare in the Benson and Hedges Cup in August and will try to do more than that on Sunday, says that "The Arc is more important than the Derbies. It is the guide to the best."

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Sister Sledge Ballies into Europe



by Ken Emerson

Philadelphia may be the City of Brotherly Love, but these days one of its most valuable musical exports is Sister Sledge. The four honest-to-God sisters, who have sold more than 1 million records, are the year's biggest-selling records in the States. Their latest album, "We Are Family," has been one of the year's best-selling records in the States. Sister Sledge's two previous albums were more successful in Europe and Japan than in their native land, and it is to Europe that they're now returning on their second European tour, beginning tonight in Glasgow, then moving on to Newcastle, Manchester, Birmingham, Paris, Amsterdam, Brussels and Bremen (See International Datebook, page 8W).

Before embarking on their second European tour, the group settled into a New York City hotel for two weeks of recording. The evening before they entered the studio, all but one of the four sisters, 23-year-old Jodi Sledge, gathered in a French restaurant for an interview. There was ebullient Kathie, at 20 the youngest Sledge but the lead singer on most of the group's up-tempo songs, her wide grin disclosing the braces that still gird her teeth. And Kim, 22, demure but sharp and to the point when she spoke. And Debbie, 24, tending her two-month-old daughter with the dignified grace of a Nefertiti or an Afghan bound. While she was pregnant with this, her second child, Debbie withdrew from touring, and for a while he was replaced by a fifth Sister Sledge, 27-year-old Carol, who is not, ordinarily, a member of the group.

Music runs through the Sledge family, and not just through this generation. The sisters' grandmother was an opera singer and a choir director. Their mother used to be a singer, and their father was one-half of a tap-dancing duo, Fred and Sledge, that appeared once on Ed Sullivan's show. But the sisters were not shoved into singing professionally by domineering stage parents. "It was really the opposite," Debbie said. "I think I was four or five." Kathie said, "when we started singing at our grandmother's church and at banquets. Debbie used to learn harmony parts at glee club in school — she has

a tremendous ear for music — and she'd come home and teach us."

Evidently they were fast learners, for soon they were appearing on local television programs, wearing matching dresses with hot pink and white stripes and singing such tunes as "Let's Go Fly a Kite" from the film, "Mary Poppins." From there it was but a hop, skip and a cute curtsy to performing in clubs and working as back-up singers at Sigma Sound Studios, the recording studio that spawned, in the early 1970s, the "Philly Sound" of Harold Melvin and the Blue Notes, the O'Jays, the Intruders, the Spinners and Billy Paul. It was Sigma Sound that turned the soul music of the 60s into the disco of the 70s. The one record on which the sisters sang that was actually released was by Percy Sledge (no relation), the balladeer whose most famous song is "When a Man Loves a Woman."

When they became recording artists in their own right, the sisters immediately enjoyed some success internationally, performing, for instance, in Zaire just before the Ali-Foreman fight, and recording their second album in Munich with the production team that made the Silver Convention's "Fly, Robin, Fly" a worldwide disco hit. It was a success for which Sister Sledge was not entirely prepared. "We were shocked," Kim remembered. "You should have seen us when we got off the plane in Japan. It was a long flight, and we still had rollers in our hair."

When Sister Sledge met producers Bernard Edwards and Nile Rodgers, who have masterminded Chic (of "Le Freak" fame), their careers escalated dramatically. Edwards and Rodgers have created a sound for both Chic and Sister Sledge that is at once and the same time earthier and more elegant than most disco music. More elegant because it replaces the thudding drum beat favored by producers like the Village People's Jacques Morali with Rodgers's light-fingered rhythm guitar. ("It's the guitar," Kathie Sledge noted, "that sets the rhythm, and you find yourself moving your feet to it.") Earlier because Edwards and Rodgers, unlike disco producers such as Giorgio Moroder (Donna Summer) and Cerrone, prefer the organic sound of an acoustic piano to the electronic

whir of a synthesizer and write spare arrangements that leave plenty of space for singers to fill with their own personalities.

"Each of us has a different character of voice," Kathie said. "Kim has a really natural voice. Jodi's is real sultry and sexy. Debbie has this serene sound."

"And Kathie," Debbie added, "is real earthy."

"I thought she was going to say that I had the raspy voice," Kathie laughed. That so much personality suffuses Sister Sledge's music is a tribute to their talent, especially because Edwards and Rodgers write the music and record the instrumental tracks independently and well in advance. "We're going into the studio tomorrow," Kathie confessed, "and we don't have any idea of what's going to happen. Bernard and Nile have a method. They never teach us a song until we're tight there behind the mike, because they don't want us to sound too studied or rehearsed. They're very particular about the way they want it, and very strict."

"For me in particular," Debbie said, "it's very frustrating, because I don't feel the artist gets enough freedom. There should be some sort of compromise in the way they work. But they have a formula, and they feel that it's working. Chic and Sister Sledge wouldn't be so successful if the formula weren't working, and Sister Sledge is too high-spirited ever to be shackled by any producer's say-so. Sisterly solidarity helps, too. "You can really come down hard on someone when she's your sister," Kathie said, "because you know you're going to make up the next day. And it's sincere: You're only doing it because you want everything to be right. You're doing it to help them."

"The good thing," Kim added, "is that we can come to each other and sit down and complain." But there's very little for Sister Sledge to complain about these days — except, perhaps, about the absence of a *Brat* Sledge. "I've always wanted a brother," Kathie moaned, "a brother older than me so that I could meet his friends." "But," warned Kim, mindful of the days when the sisters doubled up in bunk beds, "he would have had to have his own room!"

They're Flocking to The Frankfurt Book Fair

by Gale Wiley

Frankfurt — Every fall for the last 30 years, increasing numbers of book publishers from all over the world have descended on Frankfurt to display their latest editions, and to buy and sell foreign book rights.

This year's 31st Frankfurt Book Fair, which runs from Oct. 15 to 19, won't be any different, only bigger. Its organizers claim that it's the biggest book fair in the world, with 3,000 publishers from 81 countries displaying some 280,500 books. They are expecting about 200,000 visitors next week — the most ever — who will traipse through thousands of book-filled booths in Frankfurt's vast exhibition halls. The fair takes over the town, swamping hotels and crowding bars throughout the week of activities. It's surprising any business gets done at all, to judge by the constant partying that goes on, but it may be at the 4 a.m. parties that the deals of the year are negotiated.

Financially speaking, the fair this year promises to be a big success, with book publishers buying and selling more books for more money than at any other time in the fair's postwar history.

"Around 80 percent of all book translations in the world begin here," says Book Fair Director Peter Weidhaas. As an international meeting place for publishers, Frankfurt has no rival. An unknown which emerged from obscurity at last year's fair was "Dwarfs," a Dutch book illustrated by the Englishman David Larkin, which was bought at the fair by the American publisher Harry Abrams. Its paperback rights were sold to Bantam, and the book eventually appeared on the bestseller list in New York.

The fair is a great spot to exchange industry gossip. For starters, the international publishing community is looking hard at the United States, where conglomerates have been buying publishing houses by the dozen, and where hard-sell, slick, Madison Avenue hype is used so successfully to promote new books.

It is difficult, if not impossible, for the small American publisher to survive intact as large corporations prowl the market in search of small fry. Some manage to preserve their independence even after being swallowed up by a larger corporation: Arbor House, run by the independent-minded Donald Fine, and recently bought by Hearst, is a case in point.

Gulf and Western recently bought Simon and Schuster, the International Telephone & Telegraph Co. acquired Bobbs-Merrill, and CBS purchased Holt, Rinehart & Winston, as well as Fawcett. At this rate, what's to prevent similar acquisitions on an international scale? After all, say European publishers, foreign rights are the "graveyard" of the publishing houses.

The news from the Moscow Book Fair a month ago that censorship was rearing its ugly head again there wasn't very encouraging either. Soviet officials confiscated some 40 books, and Robert Bernstein, chairman of Random House, was denied a visa — allegedly because he is the American chairman of the Helsinki Watch Committee, which monitors breaches of human rights in the Soviet Union and elsewhere.

Although most publishers here relish the ultra-liberal atmosphere of the Frankfurt fair, some German publishers last year protested the fair's policy of admitting publishers from both the extreme Right and Left.

As for gossip on the personality front, fair organizers say two prominent Watergate figures are likely to visit the fair this year. Henry Kissinger, whose book "The White House Years" is currently being serialized in *Der Spiegel*, is scheduled to give a press conference in Frankfurt and may drop in at the fair if security police give the OK.

So may Richard Nixon, whose memoirs appeared in translation here in September. At the fair in 1976 the German publisher Axel Springer and the British Daily Telegraph negotiated to buy serialization rights to the memoirs at \$100,000 apiece. And two years ago, the agent of the former president, Irving (Swift) Lazar, announced that part of the foreign-rights sales contracts for Nixon's book included a personal appearance by the author himself. Fair-goers have so far remained disappointed.

Another first for the fair this year will be the awarding of a peace prize, sponsored by the Association of German Booksellers. The first award, ironically, will go not to a writer but to a musician, Yehudi Menuhin, for his work in bringing mankind closer together through music.

Early arrivals to the fair have already begun to discuss business, naturally enough. The Germans are asking the Americans about reports that mass-market paperback sales in the States declined 10 to 15 percent in the



first five months of '79, compared with the same months of '78. They are curious, because paperback sales in Germany have been rising steadily over the years, from 4.6 percent of all new titles in 1961 to 13 percent in 1977.

This should have an impact on the business at the fair, given that world records have often been beaten here in the past when the paperback rights to prestigious bestsellers have been auctioned off to the highest bidder.

In Europe, as in the United States, more and more one- and two-man publishing houses are surfacing. In the States, freelancers are prepackaging entire books to sell to big publishers. In Germany, a flood of "mini-presses" have helped experimental literature and art.

In any case, the horse trading is about to begin. Until then, Peter Weidhaas, the director, is drumming up enthusiasm for next year's fair, which will focus on Africa. More African countries than ever before are due at this year's fair, and there's sure to be some controversy over political differences — if the booksellers can stop buying and selling long enough to listen.

Portugal's Green Wines Aren't Green, But They're Awfully Good

by Eric Robins

Portugal's cheap and pleasant *vinhos verde* (green wines) are not named for their color. Some are deep red, and most are white or straw-yellow with only a faint tint of green. They are called *verde* because the grapes are picked when young, so they should be drunk fresh and early.

Only lightly alcoholic, these wines have a fresh, temporary sparkle that is particularly refreshing in summer, and they cost little more than bottled beer. They have a variety of special flavors, but all are produced in the old *inho* region in the far north of Portugal. Each bottle — and they come in a variety of unorthodox shapes to discourage laying down the wine — has an official seal, a *selo de origem*, which guarantees the contents as genuine *vinhos verde*.

The method of growing the white and black grapes is as unique as the wine itself. The vines are set high on trellis-work in fruit trees or tall stakes, and the harvesters in the fall use long, wooden ladders to reach them with their deep wicker baskets. In this unconventional way the grapes are protected from the searing heat of the *Minho* summer by the thick vines. This gives the wines their sharp, tingling identities. In the harsh soil, the peasants economically grow two or three crops of vegetables. All the green wines, even the dark red, must be drunk cold. Well-chilled, the wines of the white grapes are good, dry *aperitifs* in warm weather. At sealtimes, they are best with fish dishes.

One of the more memorable of the green wines is made from the *alvarinho* grape, and is well suited to western palates. It is a near-perfect accompaniment to Portugal's grey mullet, which Roman emperors feasted on, and the entire banquet costs only about \$10 in even the best hotel or restaurant — taxes and service included. With frequent devaluations of *scudos* against the dollar, Portugal, for Americans, is now Europe's greatest tourist bargain.

Minho's Ezelela vineyards, owned by the Portuguese family that markets the well-known Mateus Rose, produced a comparatively aristocratic green wine. It is perhaps best drunk with sole cooked in a white wine sauce or with *cataplana*, a Portuguese national dish in which smoked ham, clams, garlic sausage, onions, tomato and paprika are cooked together in a double metal pan that looks like a flying saucer. (It is, in fact, an early type of pressure cooker.)

Clams or cockles mixed with cubes of pork and spiced are also cooked *cataplana* fashion. For this, try an amber "Galeao," distinguished by a lagoon with a handle and a jackbooted cat on the label.

Other dishes cooked in the same way feature quails or hare; and there is still a wide choice of other green wines for these rich but inexpensive meals. Freshly-caught sardines eaten straight from the charcoal grill — *ardidos assados* — are considered tastiest with red *verde* and a crisp bread roll. The lively, white "Logosia," with a scarlet lobster on its distinctive bottle, is, as the name suggests, good with lobster, crayfish or giant prawns served with a *piri piri* (chili) sauce.

Helen Biever, an enterprising Australian from Sydney, has lived for 10 years on the Algarve, the popular Atlantic playground for vacationers from the States and Europe known as the "Garden of Portugal." Previously a



restaurant owner, Biever has just opened a wine store in an old distillery warehouse in Almansal, set about with casks and crusted bottles.

"The green wines are certainly the most 'individual' of Portuguese wines," says Biever. "I think a good one ranks with some of the best light wines California, South Africa or Australia can produce. Visitors always want a bottle or two, even though many of them don't know much about the wine."

The United States is the principal importer of red *vinhos verde*, followed by Canada and Britain. Portugal ranks as the world's seventh largest wine producer, but her exports — with Port well in the lead — are small, principally because wines like the *vinhos verde* do not, as a rule, travel well. Not that they get much opportunity to — the Portuguese themselves put away a good deal of each *verde* harvest.

Recent statistics show Portugal's per capita consumption of alcohol to have risen in the world tables from ninth place in 1970 to second place after France. The average Portuguese now drinks from 100 to 110 liters of wine a year, keeping the *vinhos verde* trade prosperous — and evergreen.

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Europe's Record Business Taking a Tumble

by Michael Zwerin

I was hidden until last year by the blockbuster albums "Saturday Night Fever" and "Grease"—which together accounted for more than 8 percent of all record sales in the States and almost 12 percent in France in 1978. ("Saturday Night Fever" sold 27 million records worldwide.) This year there are no such monster hits in sight, and the recession in the recording industry that started in America earlier this year is now hitting Europe.

Record sales are down; there are personnel layoffs; promotions and tours are being cut back, and there's belt-tightening throughout the industry. The European recording industry is certainly not panic-stricken, but a series of interviews over the past several weeks reveals general agreement that the situation is serious and that the nature of the record industry is changing. Many executives are cautious: "It's tough and it's going to get tougher," said one European record executive, who refused to be quoted on the record.

First of all, there's the drop in sales. French industry sales this year were off 8 percent in January and February, 10 percent in March, 15 percent in April, 20 percent in May, and 25 percent in June and July. In one month, earlier this year, British sales were down by 40 percent. The picture in Germany is a bit brighter; in the first half of 1979, record sales almost equaled those of 1978—but it's the first time in 13 years that the German market has not grown, according to industry sources.

Then, there are the personnel layoffs, following the lead taken by the States, where more than 1,000 record company employees have been laid off industry-wide this year. Pathe Marconi let about 200 European office and sales personnel go this month. British RCA fired 30 over the summer. British EMI 150, although the degree varies both from country to country and according to the product mix, every major label says it is feeling the squeeze.

Some factors:
• The price of records. The British Conservative Party raised the luxury tax on records from 8 to 15 percent after it came into power earlier this year. Record albums now cost as much as \$5. The French government "liberated" prices on January 1st and they have since gone up 10 to 20 percent. New releases now cost approximately 46 francs each. The French luxury tax on records is 33 percent, the highest in Europe, which, the saying goes, puts them "between a car and pornography," which are both taxed at the same rate. In Germany, wholesale prices did not go up in the first half of 1979, but German recording executives say that some dealers have raised retail prices slightly and they plan small

increases in wholesale prices in the near future. It should be remembered, however, that at about 22 marks an album, German prices were already among the highest in Europe last year.

• Costs. Five or six years ago, the average royalty paid to top pop groups was 10 to 12 percent of the retail record price. Now the contracts go from 20 to 25 percent for top groups—one-third of the wholesale price. In addition, the rising costs of petroleum-based vinyl and paper (for jacket albums) are also hurting the overall profit picture.

• Private taping. Sales of blank cassettes, one of the few healthy product lines left, are increasing by almost 35 million copies a year in France. As Pierre Buisson, the manager of Lido Musique, a large record shop on Champs Elysees, explains: "The cassette market is still expanding. European sales are up by as much as 30 percent." Ziggy Loch, director of WEA Germany says blank cassette sales are "booming. It's hard to get exact data because blank cassette manufacturers do not publish it, but we expect the cassette market in Germany to reach 150 million units in 1979, up from 120 last year."

• Professional piracy. Of course, there's always been piracy, but now it seems to be on the increase. Only a month or two after Bob Dylan's concerts in Paris last year, pirate recordings of them showed up in flea markets and record stores. In some Far Eastern countries, almost one record in two is a pirate. Pirates do not pay royalties, copyrights or taxes. The industry has been trying to bust pirates for years without much success. Pressing operations tend to operate a bit like heroin laboratories; they put a lot of illegal product out in the market, sell what they can, then move shop across a border before the local law can reach them.

• Unrelated economic factors. With rising unemployment in certain European countries, particularly among pop music's young audience, and with \$10 album prices (blank cassettes cost about \$2.50), many former customers are taping instead. The disposable nature of pop music encourages taping. Who wants yesterday's Rolling Stones record? Might as well erase it with The Cars.

• Fewer new talented musicians. Some industry spokesmen say there's no longer the enormous fund of pop talent that existed in the 1960s and early 1970s. Gerard Delorme, the director general of Sonopresse, a division of EMI, has a typical comment: "The level of creativity has fallen off." With French popular variety music, the problem is more acute. French youths listen increasingly to Anglo-American pop, and there are few young singer-composers to replace the old-timers like Georges Brassens, Leo Ferre and Charles Aznavour.

Alain Levy, the president of CBS France, ex-



plains it differently: "These days the kids who buy records are more creative and demanding than ever, and they don't hear a lot of music they want to buy."

This leaves the industry in the situation it faced last year; it must depend on monster hits from major groups. Stuart Siffert, a New York lawyer who specializes in entertainment law, says that—at least in the States—the industry is expecting an upturn in sales in the 4th quarter of 1979, mainly because the new Led Zeppelin album "In Through the Out Door" is No. 1 on the charts and both a new Fleetwood Mac and an Eagles album are set for release later this month. All the international chips now rise on a handful of proven groups, plus some "New Wave" bands like Blondie and Supertramp.

For the moment, the drop in sales seems to be affecting pop music more than classical or jazz, but pop, of course, has always accounted for the majority of record sales and profits. Sales of jazz records are now down much, but the industry is facing another problem with here—glut-

According to Hans Wendt of ECM, a large independent German jazz label, "There have been too many records released. The market is saturated." Pathe Marconi, CBS and RCA all report that sales of classical records are now "stagnant" in Europe, which may be encouraging news, in the light of the total picture.

Understanding that picture is pretty complicated, too, because there are problems within the industry that outsiders don't see. Some industry executives even seem to think that the over-extended record industry may have "deserved" a drop in sales. As Alain Levy put it, "Record companies were blowing money like air. It was time to come down from our cloud." Arista President Clive Davis was more specific in a recent Billboard Magazine article. "Companies inflated their payrolls to prepare for the next explosion," he wrote. "Guarantees with giant royalties were offered major artists to switch labels at pyrrhic profit... The problems we face... are and were caused by mismanagement."

A French recording executive who prefers to remain anonymous has a more cynical view: "You have no idea how much stealing goes on. For example, of the 200 copies of an album slated for promotion, 100 go to the press and the other 100 end up on the flea market. The record industry got soft during the so-called 'golden age.' Profits just kept going up for 20 years, no matter how much money was wasted. Executives spent 500 francs taking their girlfriends out to dinner at the Elysees-Matignon and they got their expenses back from the company even before the American Express bills arrived. They rented Cadillacs to go around the block. All that's going to end now."

What are the companies going to do about it? The French EMI group—Pathe Marconi, Sonopresse, MFP and others—is restructuring its financial and sales forces to eliminate duplicate overhead. As Philippe Cassegrain, a producer at WEA Filipacchi recently explained, "The whole picture has definitely changed. Everybody is getting more cost-conscious. There will be less underwriting of tours in the future."

Record companies traditionally subsidize the costs of pop group tours, writing off up to 75 percent of the expense as "promotion." Some top executives in Europe are wondering why the record companies should be footing the bills; they say the costs are enormous and may not be the best way to promote album sales. As Gerard Delorme of Sonopresse pointed out recently, "The tour support we give groups coming to France is going to diminish. For example, if The Knack wants to tour France next year, I just won't pay \$20,000 any more. If our sister company in America, Capitol, wants them to tour, let them support it. Groups come in with two trailer-loads of equipment, take eight rooms in the George V, rent limousines... it just doesn't hold up now."

Not much has yet happened in this area, although a tour by the Ramones was called off recently because of a disagreement over tour support with their record company. And the Allman Brothers had to cancel a European tour because of the financial problems facing Capricorn, their Macon, Ga., record company.

Other industry heads have different ideas. Ziggy Loch of WEA Germany says, "We're going to concentrate on belt-tightening. We're definitely more cautious about signing new contracts. The word on the street is that another company just signed the big German pop singer, Peter Maffay to a \$3-million, three-year contract. We feel we cannot afford to make that sort of deal anymore, even though I don't think you can say that the German record market is in trouble."

"There are going to be fewer records made," says Delorme, summing up the attitude of many top industry executives. "We will work more

with sure things, take fewer risks, which will not help the creative level."

Companies are also asking governments to protect them against private tapings. The French recording industry has pressed for a special tax on blank cassette sales, and the Ministry of Culture is preparing a bill to that effect. The British Phonographic Industry and the Mechanical Copyright Protection Society are trying to convince the British government to force home-tapers to pay a license-fee of somewhere between \$3-10 a year. Similar measures are being discussed in the States, too. And major companies are researching new blocking and jamming devices to make it impossible to record from records and radio.

With all that negative information, it was a real shock last week to walk into FNAC, the largest record discount shop in Paris. The record department was absolutely jammed. Customers were pushing to get to the racks. It was like the week before Christmas. "There is no recession for FNAC," said Lucette Demuier, director of the store's Montparnasse record department. "With prices having gone up, our 18 to 20 percent discount becomes much more attractive, and people now take the trouble to travel across town to buy records here. Not only that, since they do not want to come too often, they tend to buy more records at a time."

Pierre Buisson of Lido Musique is also cautiously optimistic: "We want to see our figures for September and October before deciding how serious the crisis is. Then we'll know if people came back from their holidays in a buying mood. But it's certainly tied to world-wide economic problems. People just do not have as much money to spend. The more unemployment there is, the less the customers will have. Simple."

Alain Levy of CBS is also cheerful: "In general, if the quality is good, the record will sell. There's not enough quality in pop music these days. We're going to have to pay more attention to quality, costs and everything else, and in my opinion the current situation might prove to have positive results. The industry could come out of it stronger than ever."

There is also an escalation problem here. Sales are off internationally in comparison with 1978, which was a record year. They are, in fact, about on a par with 1977, which was also a record year. Alain Levy explained the situation recently: "Platinum records [one million sold] used to be rare. But now if an album doesn't reach platinum a week after release, it's considered a failure."

In short, if one really understands the industry executives, sales are down, but not too far, and the drop may be just the thing to make the European recording industry ultimately all the healthier.

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U.S. Moves 'Simply Not Enough'

Arabs Ask: Why Believe in Dollar?

By David A. Andelman

BELGRADE, Oct. 4 (NYT) — Each day, sometimes twice or three times a day, small groups of Arabs, wearing gold Rolex watches whose value in the past six months has nearly doubled, slip into a second-floor suite of the Hotel Belgrade.

They listen quietly for a half-hour, sometimes an hour, while U.S. Treasury Secretary William Miller and Anthony Solomon, undersecretary of the Treasury for monetary affairs, explain why they should have confidence in the dollar; why they should help support it and why they should trust the dollar over gold.

Then they leave, most still unconvinced.

Mohamed Finaish, executive director of a fund representing 14 oil-exporting nations, not including Saudi Arabia, was asked whether the United States was doing enough to support the dollar and stem the drain into gold. "In a word, no," he answered grimly.

"Since last November, the United States has taken important measures," he said. "But they are simply not enough. It has not done enough to control inflation, to do something serious to bolster its balance of payments, and it has not taken oil conservation seriously."

With hundreds of the most powerful financial representatives in the world — finance ministers, central bankers, investment counselors and fund managers — gathered here for the annual meeting of the International Monetary Fund and World Bank, the United States is selling hard. It is selling its stability, its will to check the decline in the value of the dollar and the U.S. economy and, above all, its competence to do so.

The Arabs are selling equally hard the idea that it is simply not enough.

Statistics compiled by the IMF show that all Arab oil-exporting nations have maintained reasonably constant reserves of gold in their official holdings over the past several years. But there is considerable suspicion here that most of these countries have been shifting dollars, particularly newly acquired petrodollars, into gold in unofficial reserve holdings, such as investment funds, where they are less easily monitored by outside agencies or banks.

"We have already been switching out of the dollar into gold," said one senior delegate from a Gulf oil state in charge of a national fund worth more than \$3 billion. "Any wise man would do so."

The insistent repetition of Arab doubts concerning U.S. actions, bolstered by the hourly reports from Western money markets, have contributed substantially to the gloomy atmosphere at this annual meeting.

Helping Developing Countries

Arab delegations have been reassuring the less-developed countries, which are pressing various Arab fund managers for increased aid to offset the effect of rising oil prices and a falling dollar, that there will be increasing quantities of funds earmarked for their assistance.

They point to the \$800-million, second replenishment of a special fund by the Organization of Petroleum Exporting Countries that was approved by finance ministers last week in Vienna.

And the Arabs have been reassuring the industrialized nations that they are, for the present at least, committed to the dollar as the

pricing medium for oil exports. "There are no plans to shift to any other currency or any basket of currencies," Mr. Finaish said.

But as Nasser al-Nawais, general manager of the Abu Dhabi Fund for Arab Economic Development, put it: "We have lost a great deal, up to 30 percent of the value of our holdings in the past year, by the deterioration of the value of the dollar and in our terms of trade."

"My brother told me the other day that even our chickens are imported, and they've gone from 5.30 dirhams to 7 dirhams a chicken in just a few months," he added.

Disputing the Americans

Other Arab delegates have devoted more of their energy to rebutting the remarks of the U.S. delegation.

One senior Kuwaiti delegate disputed Miller's contention yesterday that the dollar had appreciated against the basket of OPEC currencies by 8 percent. "It's possible," said a friend of this delegate, who manages another Arab fund. "But that's if you include the Nigerian naira or the Ecuadorian sucre. And that's fine if you're talking to some political rally in Philadelphia. But you're talking to ministers of finance and central bankers here. He must be serious to be believed."

There were other points of distress. "I was dismayed to hear Secretary Miller applaud the fact that your cars will average 19 miles per gallon this year and 27.5 miles per gallon in 1985, if all is on schedule," the Kuwaiti continued. "The Europeans have averaged over 30 miles per gallon for the past decade. This sort of thing makes us very skeptical about how serious you all are."

U.S. Wholesale Prices Up 1.4% in Month; 3rd-Quarter Inflation Is 15.7% Annually

WASHINGTON, Oct. 4 (AP) — U.S. wholesale prices surged 1.4 percent in September, the largest monthly increase in nearly five years, the government said today.

The rise pushed the nation's annual inflation rate on the wholesale level to 15.7 percent, seasonally adjusted, for the third quarter compared with 6.8 percent in the second quarter and 14.3 percent in the first.

The September rise in the Labor Department's Producer Price Index, the worst so far this year, was blamed on continuing increases in fuel costs and a new boost in food prices, particularly beef and veal.

The September wholesale increase was the third consecutive monthly rise of more than 1 percent. It also was the largest since a 2-percent jump in October 1974, the year in which the nation's previous inflation record was set.

Energy Up 6.8%

The wholesale prices for energy goods climbed 6.8 percent last month, up from a 1-percent rise from the previous month. Food items were up 1.8 percent last month, compared with 1.2 percent in August. From April through July, food prices had shown no change or had declined.

"Beef and veal prices rose sharply in September following four months of decline," the report said. "Prices for pork rose for the second consecutive month following five consecutive decreases."

Prices on non-food items were up 1.3 percent, about the same as in August.

The index in September stood at 220.4 percent of its 1967 base, up 11.8 percent from a year earlier.

The department also reported that prices of finished energy goods

were up 55.9 percent from September, 1978.

The September changes reflect a jump in recent months in prices paid to farmers and the continued impact of the 60-percent increase in crude oil prices imposed by the Organization of Petroleum Exporting Countries since the start of the year.

Labor Department economist Craig Howell said analysts could not be sure when the crude price increases would finish filtering through the U.S. economy. "It takes

a while for those things to work their way through the system," Mr. Howell said. "It's hard to say when the last round of OPEC prices will work its way through."

Prices for intermediate goods, those with some processing, rose 1.5 percent last month following August's 1.2-percent gain and were up 14.6 percent from last year.

At the crude, or raw-material, level, prices were up 2.1 percent in September, compared with a 0.1-percent rise in August, and were up 17.6 percent from last year.

The Agriculture Department reported last week that the prices paid farmers for their goods surged 1.5 percent in September after falling 3 percent in the previous month and showing no change in July. Much of the September change in farm prices was due to higher cattle, hog and milk prices — changes that show up rapidly at the wholesale level, government economists say.

U.S. Borrowers Turn Bearish on Rates

NEW YORK, Oct. 4 (AP-DJ) — Whereas large banks and other institutions had been bullish on the U.S. interest-rate outlook, that psychological climate is changing, Albert Wajnlower, an economist at First Boston, told a private gathering recently.

According to an official who attended the session, "Wajnlower suggested that corporations now are estimating the future inflation level to be higher than they had previously forecast, which means that cur-

rent bond yields and other interest rates now look low to them rather than high."

"That, among other factors, is what leads to decisions to issue more new securities, and Wajnlower would guess that companies having a lot less cash than IBM will wonder whether they should be in a greater hurry than IBM to borrow," he added.

"So Wajnlower thinks it is highly probable that we'll have a substantially increasing calendar of new

bond offerings and eventually, whether in two months or 12 months, a flood of new issues and very serious supply congestion," the official said. "It seems to Wajnlower that, at the present time, it is conservative to forecast that bond yields could rise by a percentage point," he added.

Such a "borrowing frenzy" also is foreseen by Donald Maude of Merrill Lynch Government Securities.

"One must seriously wonder if corporate treasurers who have sat by and watched their balance sheets become heavily dominated by short-term debt relative to long-term debt are in the process of throwing in the towel," Mr. Maude commented. "In effect, they have allowed such debt-structure imbalances to occur with the expectation that inflationary pressures would soon abate and long-term borrowing costs would be headed downward."

NYSE Prices Active, Up

NEW YORK, Oct. 4 (Reuters) — Helped by oil and takeover activity, New York Stock Exchange prices moved higher today in active trading.

The rise in U.S. wholesale prices proved less worrisome than expected since some Wall Street estimates had ranged as high as 1.8 percent.

The Dow Jones industrial average rose 4.95 to 890.10 as advances led declines 882 to 607. Volume rose sharply to 38.8 million shares.

During the session, the Federal Reserve entered the government securities market to add reserves by arranging overnight repurchase agreements. Dealers said the Fed's posture in the market could indicate a tightening in monetary policy is under way, but that it is not yet clear.

After the close, the Fed announced that the narrowly defined M-1 money supply rose \$800 million in the Sept. 26 week and averaged a 9-percent rise in the latest 4 weeks compared with the preceding quarter. M-2 rose \$1.5 billion and was up 11.9 percent.

Superior Oil was a standout, surging 24 points. It now holds about 82 percent of the shares of its Canadian unit, up from 53 percent previously.

Texaco topped the active list, adding 4 to 31. Also active, Gulf Oil tacked on 4 to 33 1/2 and Mobil 3 to 52 1/2. Mountain Fuel Supply continued to benefit from a favorable court ruling yesterday on its exploration subsidiary rising 3 1/2 to 32 1/2 in active trading.

Active GATX Corp. climbed 1 1/2 to 45 1/2, a new high for the year. It said it knew of no reason for the rise.

McCormick denied rumors it is holding merger talks. It added 4 to 21 1/2, over-the-counter. Yesterday it jumped three points in heavy trading.

Richardson surged 5 1/2 to 33 1/2. It said Quoin International wants to make it a cash offer, but no terms were given.

Louisiana Land & Exploration hit a new high for the year of 47 1/2, but ended at 47 for a gain of 1 1/2. Placid Oil, owned by the Hunt family, bought 2.77 million shares, or about 7.28 percent, of Louisiana Land's common.

Canada Records Deficit on Trade

OTTAWA, Oct. 4 (Reuters) — Canada had a trade deficit of \$141 million in August after a downward revised \$28-million surplus in July and compared with a \$153-million surplus in August last year, Statistics Canada said today.

Seasonally adjusted, exports rose 3.1 percent to \$5.31 billion in August following a 6.7-percent increase in July. Imports rose 6.4 percent to \$5.45 billion after a 10.8-percent increase in July.

The new offer apparently indicates the Iranians have scrapped previous contracts with eight Japanese trading companies and three oil refiners, the report said.

Because of the overriding need to import more oil and Japan's heavy dependence on foreign supplies, the companies may have no choice but to accept the price, the agency added.

Industry sources also warned that, since Japan imports more than 90 percent of its crude oil from the Middle East, Japanese refineries face further crude-oil supply cuts from major international companies, which might have to be covered by increased spot imports or tapping the country's private 87-day stockpile.

Idemitsu Kosan said Gulf Oil, which supplied 6.9 percent of Japan's total oil imports last year, is expected to tighten its cutback rate for Japanese refineries, all third-party users, from 62 percent in November.

W. Germany Has Reduced Orders, Output, Jobless

BONN, Oct. 4 (AP-DJ) — West Germany's industrial production fell 3.15 percent in August and order inflow dropped 3.7 percent but the jobless rate fell 0.3 percentage point to 3.2 percent for September, the lowest in nearly five years, the government reported today.

The Economics Ministry said the seasonally adjusted industrial production index in August registered a preliminary 123 (1970 equals 100), down from the July index of 127 but up 5.1 percent from last year.

The ministry also reported that the seasonally adjusted index for order inflow to the manufacturing industry recorded a preliminary 181 in August (1970 equals 100), down from July's 188 but up 9 percent from August, 1978.

The Labor Office said the number of unemployed persons fell 7.8 percent in September to 736,800, or 3.2 percent of the labor force compared to 3.5 percent in August and 3.8 percent in September, 1978.

The Labor Office said the last time West German unemployment stood below 3.2 percent was October, 1974, when the rate was 3.0 percent. Labor Office President Josef Stiglitz remarked that the overall economic boom in the country, combined with the seasonal increase in employment, had pushed the unemployment rate to the five-year low.

The Economics Ministry said foreign-order inflow was down 7.3 percent for the month but up 7 percent from last year while domestic-order inflow was down 1.7 percent from July but up 10.5 percent from August, 1978.

The ministry also reported that the seasonally adjusted index for order inflow to the manufacturing industry recorded a preliminary 181 in August (1970 equals 100), down from July's 188 but up 9 percent from August, 1978.

EEC Commission Approves Draft Of Trade Accord

BRUSSELS, Oct. 4 (AP-DJ) — The European Economic Community Commission today announced it had approved the 700-page final report which resulted from the six-year multilateral trade negotiations known as the Tokyo Round, initiated last April.

"The Commission recommends the conclusion of the agreement since its results are fair, balanced and satisfying," an EEC official said.

But he also said that the proposed package did not include a safeguard clause sought by developing nations. They insist that government curbs on disruptive imports should only be applied selectively and only in rare, carefully defined circumstances.

The EEC is demanding a much more flexible use of selectivity to protect threatened domestic industries and the talks broke down over this issue in July. Although the issue is still unresolved, the EEC official said that negotiators in the weeks ahead would seek ways of reconciling the differences.

The Commission has not yet sent the final report to the EEC ministerial council or to member governments but will do so shortly, the official said.

Company Reports

| Revenue, Profits in Millions In local currencies; unless otherwise indicated | | | |
|---|--------|--------|------|
| Britain | EM1 | 1977 | 1978 |
| Year Jan 28 | | | |
| Revenue..... | 869.47 | 872.56 | |
| Profits..... | 3.41 | 9.72 | |
| Per Share..... | 0.018 | 0.076 | |
| 1978 per share restated | | | |
| Spain | | | |
| Revenue..... | 370.00 | 367.00 | |
| Profits..... | 2.79 | 3.84 | |

Iran's Price

Meanwhile, Iran has proposed a record-high price of \$40 a barrel for its spot, light-crude oil sales to Japan, Kyodo News Service said today.

Quoting oil and trading industry sources, the agency said Japanese

Japanese buyers

"But there are a lot of people out there worried about 1980," he added. He said that low-sulphur, light grades of crude are currently being offered for immediate sale at about \$38 a barrel.

Japanese concerns, which have provided an underpinning to spot prices by frequent purchases are "trying hard to restrain themselves," one trader said. "But this restraint is difficult and they are at ways in the background," he added.

On the supply side, dealers noted that traditional sources of spot crude, such as smaller oil companies and trading houses, have become nervous about what one source described as oil-producing countries' "saber-rattling" over production cuts. One trader also suggested a rumor — that Libya has invoked a contract clause prohibiting the resale of crude on the spot market — has injected a note of uncertainty into the market.

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It said the worldwide record industry has been under extreme pressure in terms of volume and profit margins since the beginning of 1979 and has not yet improved.

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Algeria Plans Further 5% Cut in Sales to Oil Concerns

NEW YORK, Oct. 4 (AP-DJ) — Algeria plans further cutbacks in sales of crude oil to major petroleum companies amounting to about 5 percent of contracted volumes effective Jan. 1, but apparently envisions no reduction in production.

The new cutbacks will come on top of the previously estimated 20 percent reductions for the third and fourth quarters of this year, based on announcements made by Algeria last June to some contract customers. Notices of curtailments are going out to some contract customers.

Algeria is the fifth-largest supplier of crude to the United States, producing about 1.2 million barrels of oil a day.

It is not reducing total output, instead, sources said, the crude being diverted from the major oil companies will be processed internally at a major refinery project that will be completed soon in Algeria.

Meanwhile, Algeria has been searching for customers for refined products it will produce at its expanded refineries at Skikda and Bejaia. Willing buyers have been found in the United States and Europe, industry sources said.

Algeria is following a pattern gaining ground in the Organization of Petroleum Exporting Countries. This week Libya began notifying its major crude oil customers of new cutbacks in contract sales there, ranging between 20 and 30 percent and also effective Jan. 1. At an OPEC seminar in Vienna yesterday, Libyan Oil Minister Ezzedin Mabruk said the oil would be diverted for direct sales to consuming country governments, particularly West Germany.

Spot Market Seen Rising

From Agency Dispatches

ROTTERDAM, Oct. 4 — Although there was very little activity

on the spot crude oil market today, prices remained firm and at least one trader saw the market for Arab-light crude possibly inching up above \$36 a barrel, where it has remained for the past few days.

Traders said supply diversions by producing countries such as Algeria and Libya — combined with uncertainties about future levels of world production and future prices — have fueled a rise in spot or free market, prices to the near-record levels. Traders cited concern about further reductions in output from politically unstable Iran and the knowledge that Saudi Arabia, currently producing an additional 1 million barrels of crude daily, could at any time decide to cut back.

Market observers emphasized, however, that spot market prices are rising even though supplies of crude oil and petroleum products are currently ample. "You couldn't sell crude oil at 10 cents a barrel over official prices today if it weren't for all the uncertainty about the future," one trader said.

News and Notes

Occidental Petroleum says it is confident the U.S. government "will decide not to restrict or embargo imports of ammonia from the Soviet Union." Occidental, the only U.S. importer of Soviet ammonia, issued the statement Wednesday after the U.S. International Trade Commission ruled that imports of anhydrous ammonia from the Soviet Union are disrupting the domestic market. The ITC has until Oct. 11 to recommend to President Carter whether duties, quotas or some other restriction should be placed on the imported chemical, which is a major component in fertilizers.

The president can choose any of the recommendations or seek a special marketing agreement with the Soviet Union, according to Hal Sundstrom, an ITC spokesman.

U.S. new car sales in September fell about 2.8 percent from a year ago, despite special programs by domestic automakers to clear out excess stocks and continued strong sales by importers. The year-ago figures were aided by new model introductions. Sales of new cars fell 3.8 percent to 598,895 units. A survey of leading importers showed that they delivered about 173,500 vehicles, up 9.2 percent from last year and accounting for about 22.4 percent of the U.S. market, up from about 18.2 percent a year earlier. General Motors sales fell nearly 12 percent for September, Ford Motor's more than 7 percent but Chrysler's sales rose more than 27 percent. Among leading imports, Toyota gained 19.2 percent, Datsun 48.3 percent and Honda 20.2 percent.

Chrysler completed the sale of Chrysler Realty to Abiko Realty for \$195 million. Chrysler received about \$70 million in cash plus about \$55 million worth of properties and receivables. In addition, a \$70-million note for cash borrowed from Chrysler Realty was cancelled. The financially troubled automaker said the sale will improve its cash flow and provide a range of professional services for its dealers.

Horizon Corp. perpetrated a "vicious consumer fraud" in the sale of "virtually worthless desert land," a U.S. Federal Trade Commission law judge says. He ordered the company to stop its unfair sales practices and to take specific measures to protect the rights of future customers and inform past purchasers of their options. He says the company had used a deceptive and high-pressure "sales scheme" to sell — usually in bulk — hundreds of

thousands of acres of undeveloped land. The judge recommends that the FTC ask the federal court to order refunds for consumers.

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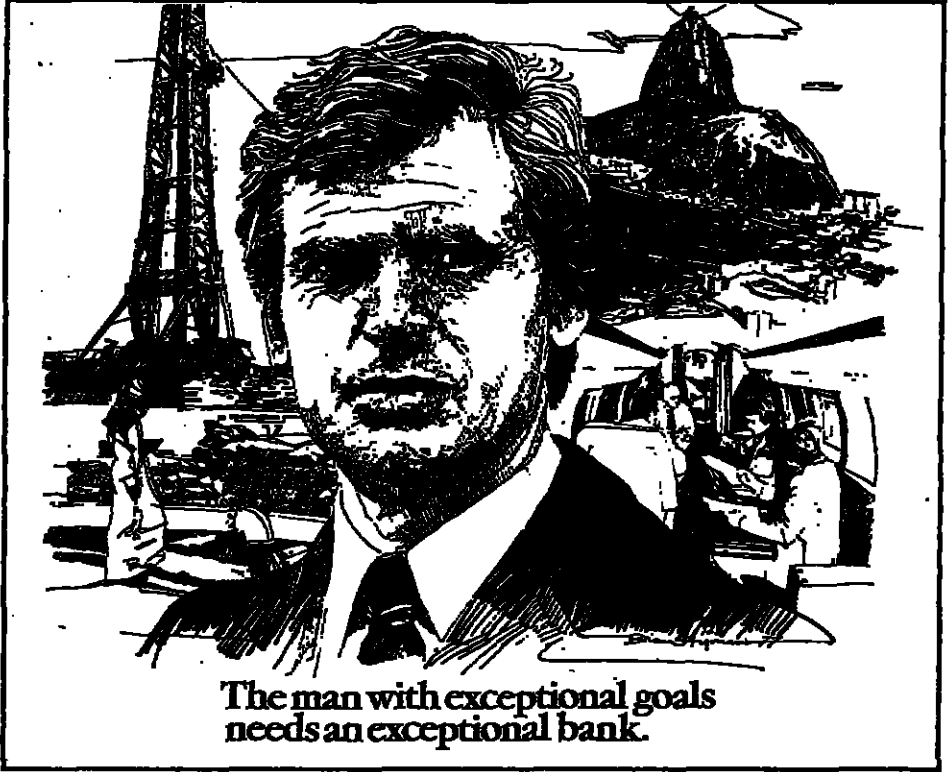
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The man with exceptional goals needs an exceptional bank.

What makes TDB exceptional? Above all, our personal service.

Personal service is more than just a tradition at TDB — it's one of the basic reasons for our success over the years. And it makes an important difference to our clients, in a number of ways.

In far decisions, for example. At TDB you don't have to waste time going through endless "channels." The executive you talk to makes sure that your requirements are brought directly to the people who decide. We make it a point to avoid red tape and bottlenecks.

When your particular requirements go beyond the routine, we assign an

experienced bank officer to your account. He's personally responsible for seeing that things get done in your behalf, whatever the service. So you can be sure your instructions are carried out promptly, intelligently and to the letter.

Whether your business requires trade and export financing, foreign exchange, precious metals or any of our full range of banking services, you'll find that TDB has something a bit special to offer. As part of the Trade Development Bank Holding Group, we're ready to serve you in

most of the world's financial centers.

TDB — an exceptional bank for the man with exceptional goals.

TDB Holding Group: US\$ 5.9 billion in assets; US\$ 512 million in capital and loan funds employed, as of 30.6.79.

Key Group offices: Geneva, London, Paris, New York (Republic National Bank of New York). Other offices in Beirut, Bogota, Buenos Aires, Caracas, Chisasso, Frankfurt, Hong Kong, Luxembourg, Mexico City, Miami, Montevideo, Nassau, Panama City, Rio de Janeiro, Santiago de Chile, Sao Paulo, Tokyo.



Trade Development Bank

As TDB has grown, it has maintained the tradition of personal service that is one of its major strengths. Experienced account officers coordinate the bank's worldwide activities to serve individual clients effectively, wherever they do business.

NYSE Nationwide Trading Closing Prices Oct. 4

Tables include the nationwide prices up to the closing on Wall Street.

| 12 Month | Stock | High | Low | Div. | Yld. | P/E | 100s | High | Low | Close | Prev | 12 Month | Stock | High | Low | Div. | Yld. | P/E | 100s | High | Low | Close | Prev |
|----------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |

INTEREST

17% PER ANNUM

First Fidelity Finance Ltd.
(Incorporated in the U.S.A.)
100 Broad Street
New York, N.Y. 10004
Telephone: 606-04 2530

THE BANQUE NATIONALE DE PARIS IN NIGERIA

The BANQUE NATIONALE DE PARIS just opened a representative office in LAGOS which will serve to further develop the services that the bank offers to its French as well as international clientele within the context of its relations with NIGERIA.

The BANQUE NATIONALE DE PARIS has already acquired a broad business experience in NIGERIA, where it has been established for the past 30 years. After having operated as a branch office, the BNP formed in 1961 the UNITED BANK FOR AFRICA LTD. This institution became one of the leading banks in the country with a broad participation in local commercial and financial operations, while retaining an associated bank of the BNP Group in NIGERIA.

The BNP's Representative Office will also serve to help French and international exporters in their search for new business in NIGERIA, in their contacts with local authorities and in the preparation of their administrative requirements.

Under the management of Mr. Robert DEVOS, the representative office of the BANQUE NATIONALE DE PARIS is at the following address:

**63 BROAD STREET
NIDP House
P.O. Box 51670
FALOMU IKOYI
LAGOS**

INVEST INTERNATIONAL CAPITAL CORPORATION S.A.

Siege : 2, Boulevard Royal, Luxembourg.

R.C. Luxembourg N° 7656.

Messieurs les obligataires sont priés d'assister à l'Assemblée Générale des obligataires de l'emprunt convertible 1975-1983 qui se tiendra par devant nous, au siège social le 25 octobre 1979, à 11 h 15, pour délibérer de l'ordre du jour suivant :

1. Modification du règlement régissant l'emprunt convertible 1975-1983 du 25 octobre 1975 en ce sens que le taux de conversion fixé par l'Assemblée Générale Extraordinaire du 7 novembre 1977 à l'article 18.01 à 1.2/1 (c'est-à-dire 1.2 obligations pour une action d'une valeur nominale de 1.000 U.S. dollars) sera dorénavant de 1.2/100 (c'est-à-dire 1.2 obligations pour cent actions d'une valeur nominale de 100 U.S. dollars).

Messieurs les obligataires sont priés d'assister à l'Assemblée Générale des obligataires de l'emprunt convertible 1978-1982 qui se tiendra immédiatement après l'Assemblée Générale des obligataires de l'emprunt 1975-1983 pour délibérer de l'ordre du jour suivant :

1. Modification du règlement régissant l'emprunt convertible 1978-1982 en ce sens que le taux de conversion fixé à l'article 16 (nouveau) à 1.2/1 (c'est-à-dire 1.2 obligations d'une valeur nominale de 1.000 U.S. dollars pour une action d'une valeur nominale de 1.000 U.S. dollars) sera dorénavant de 1.2/100 (c'est-à-dire 1.2 obligations pour cent actions d'une valeur nominale de 100 U.S. dollars).
2. Approbation de diverses modifications au règlement régissant l'emprunt convertible 1978-1982 et adoption d'un règlement complémentaire.

Il n'est exigé aucun quorum de présence relativement aux assemblées générales des obligataires. Les décisions sont prises à la majorité simple des obligataires présents ou représentés.

Pour pouvoir assister aux assemblées convoquées ci-dessus, les intéressés pourront :

- Soit déposer leurs titres à la Banque Internationale à Luxembourg S.A. au moins 24 heures avant la tenue de l'assemblée;
- Soit déposer leurs titres au bureau de l'assemblée le jour même de sa tenue;
- Soit présenter au bureau de l'assemblée un certificat de toute autre banque luxembourgeoise ou étrangère attestant le dépôt des titres.

Luxembourg, le 26 septembre 1979.

Le Conseil d'Administration.

Eurocurrency Interest Rates

| 1 Month | 3 Month | 6 Month | 9 Month | 12 Month |
|---------|---------|---------|---------|----------|
| 1.4% | 1.4% | 1.4% | 1.4% | 1.4% |
| 1.4% | 1.4% | 1.4% | 1.4% | 1.4% |
| 1.4% | 1.4% | 1.4% | 1.4% | 1.4% |
| 1.4% | 1.4% | 1.4% | 1.4% | 1.4% |

International Bonds Traded in Europe

Midday Indicated Prices, October 4, 1979

| 12 Month | Stock | High | Low | Div. | Yld. | P/E | 100s | High | Low | Close | Prev |
|----------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |

ITALAMERICA S.A.

16, Rue des Bains
Luxembourg
R.C. Luxembourg 19439

Le quorum requis par la loi n'ayant pas été atteint lors de la première Assemblée Générale Extraordinaire des Actionnaires tenue le 26 septembre 1979, Messieurs les Actionnaires sont priés d'assister à une SECONDE ASSEMBLEE GENERALE EXTRAORDINAIRE qui aura lieu le 6 novembre 1979 à 11 heures au siège social, 16, rue des Bains, avec le même ordre du jour que l'Assemblée précédente, à savoir :

Ordre du jour

Annulation du dernier alinéa de l'article 13 des statuts concernant l'obligation d'investir au moins cinquante pour cent du portefeuille-titres de la société en valeurs mobilières émises par des sociétés et organismes ayant leur siège en Italie.

Pour assister à cette Assemblée, Messieurs les détenteurs d'actions au porteur sont priés de déposer leurs titres cinq jours avant la date de l'Assemblée auprès des établissements financiers ci-après désignés. Le dépôt sera maintenu jusqu'au lendemain du jour où sera tenue l'Assemblée.

Messieurs les Actionnaires sont informés que cette seconde Assemblée Générale Extraordinaire pourra valablement délibérer quel que soit le nombre d'actions présentes ou représentées et que les actionnaires non présents et non représentés seront considérés comme présents et comme votant la proposition du conseil d'administration, à savoir l'annulation du dernier alinéa de l'article 13, mais au maximum pour un tiers de la totalité des voix.

L'annulation expliquant la finalité de la modification statutaire inscrite à l'ordre du jour est à la disposition des actionnaires, auprès du siège social et auprès des établissements financiers ci-après désignés.

- Banca Commerciale Italiana, siège et succursales en Italie;
- Banca della Svizzera Italiana, Lugano;
- Banque de Paris et des Pays-Bas pour le Grand Duché de Luxembourg, Luxembourg;
- Banque de Paris et des Pays-Bas, Paris, Genève, Bruxelles, Amsterdam et Londres.

Luxembourg, le 26 septembre 1979.

Le Conseil d'Administration.

The merger of
a wholly owned subsidiary of

Schlumberger Limited

and

Fairchild Camera and Instrument Corporation

has become effective.

The undersigned acted as financial advisor to Schlumberger Limited in this transaction and as dealer-manager of its tender offer.

LAZARD FRERES & Co.

October 3, 1979

| 12 Month | Stock | High | Low | Div. | Yld. | P/E | 100s | High | Low | Close | Prev | 12 Month | Stock | High | Low | Div. | Yld. | P/E | 100s | High | Low | Close | Prev |
|----------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |
| 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 4 1/2 | 3 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 | 11 1/2 |
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(Continued on Page 13)

Tables include the nationwide prices up to the closing on Wall Street.

Corporate treasurers on currency exposure.

Closing Prices, October 4, 1977

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AMEX Nationwide Trading Closing Prices Oct. 4

Tables include the nationwide prices up to the closing on Wall Street.

| 12 Month | Stock | High | Low | Div. | Yld. | P/E | 100s | High | Low | Close | Prev. |
|----------|-------|------|-----|------|------|--------|--------|------|-----|-------|-------|
| 12/1 | AA | 44 | 43 | 7 | 4 | 12 1/2 | 12 1/2 | 44 | 43 | 44 | 44 |
| 12/1 | AAV | 20 | 19 | 4 | 9 | 4 1/2 | 4 1/2 | 20 | 19 | 20 | 20 |
| 12/1 | AAV | 20 | 19 | 4 | 9 | 4 1/2 | 4 1/2 | 20 | 19 | 20 | 20 |
| 12/1 | AAV | 20 | 19 | 4 | 9 | 4 1/2 | 4 1/2 | 20 | 19 | 20 | 20 |
| 12/1 | AAV | 20 | 19 | 4 | 9 | 4 1/2 | 4 1/2 | 20 | 19 | 20 | 20 |
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| 12/1 | AAV | 20 | 19 | 4 | 9 | 4 1/2 | 4 1/2 | 20 | 19 | 20 | 20 |
| 12/1 | AAV | 20 | 19 | 4 | 9 | 4 1/2 | 4 1/2 | 20 | 19 | 20 | 20 |
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| 12/1 | AAV | 20 | 19 | 4 | 9 | 4 1/2 | 4 1/2 | 20 | 19 | 20 | 20 |

| 12 Month | Stock | High | Low | Div. | Yld. | P/E | 100s | High | Low | Close | Prev. |
|----------|-------|------|-----|------|------|--------|--------|------|-----|-------|-------|
| 12/1 | AA | 44 | 43 | 7 | 4 | 12 1/2 | 12 1/2 | 44 | 43 | 44 | 44 |
| 12/1 | AAV | 20 | 19 | 4 | 9 | 4 1/2 | 4 1/2 | 20 | 19 | 20 | 20 |
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Chicago Futures

October 4, 1979

| Open | High | Low | Close | Chg. |
|-----------|-------|-------|-------|------|
| WHEAT | 11.11 | 11.11 | 11.11 | 0.00 |
| SOYBEANS | 11.11 | 11.11 | 11.11 | 0.00 |
| CORN | 11.11 | 11.11 | 11.11 | 0.00 |
| COFFEE | 11.11 | 11.11 | 11.11 | 0.00 |
| COCOA | 11.11 | 11.11 | 11.11 | 0.00 |
| COTTON | 11.11 | 11.11 | 11.11 | 0.00 |
| Wool | 11.11 | 11.11 | 11.11 | 0.00 |
| Gold | 11.11 | 11.11 | 11.11 | 0.00 |
| Silver | 11.11 | 11.11 | 11.11 | 0.00 |
| Platinum | 11.11 | 11.11 | 11.11 | 0.00 |
| Palladium | 11.11 | 11.11 | 11.11 | 0.00 |
| Rhodium | 11.11 | 11.11 | 11.11 | 0.00 |
| Iridium | 11.11 | 11.11 | 11.11 | 0.00 |
| Osmium | 11.11 | 11.11 | 11.11 | 0.00 |
| Ruthenium | 11.11 | 11.11 | 11.11 | 0.00 |
| Vanadium | 11.11 | 11.11 | 11.11 | 0.00 |
| Niobium | 11.11 | 11.11 | 11.11 | 0.00 |
| Tantalum | 11.11 | 11.11 | 11.11 | 0.00 |
| Vanadium | 11.11 | 11.11 | 11.11 | 0.00 |
| Niobium | 11.11 | 11.11 | 11.11 | 0.00 |
| Tantalum | 11.11 | 11.11 | 11.11 | 0.00 |

U.S. Commodity Prices

October 4, 1979

| Open | High | Low | Close | Chg. |
|-----------|-------|-------|-------|------|
| WHEAT | 11.11 | 11.11 | 11.11 | 0.00 |
| SOYBEANS | 11.11 | 11.11 | 11.11 | 0.00 |
| CORN | 11.11 | 11.11 | 11.11 | 0.00 |
| COFFEE | 11.11 | 11.11 | 11.11 | 0.00 |
| COCOA | 11.11 | 11.11 | 11.11 | 0.00 |
| COTTON | 11.11 | 11.11 | 11.11 | 0.00 |
| Wool | 11.11 | 11.11 | 11.11 | 0.00 |
| Gold | 11.11 | 11.11 | 11.11 | 0.00 |
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| Niobium | 11.11 | 11.11 | 11.11 | 0.00 |
| Tantalum | 11.11 | 11.11 | 11.11 | 0.00 |

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When you're doing business in Europe, it's smart to keep the home office informed by phone. That way, you get and give up-to-the-minute information that can make a good deal even better.

But before you make that call, check to see whether your hotel has Teleplan—a low-cost way to call home. If so, go ahead and call because the surcharge fee will be reasonable. In other hotels that offer International Dialing, dial a short call, from your room or through the hotel switchboard, and ask the office to call you back. There's no 3-minute minimum charge, and the hotel surcharge will be small. Also, you pay for the call-back with dollars on your office phone bill. Surcharges on credit card and collect calls are usually minimal.* At the post office and other telephone centers—no surcharge at all.

Now, call the office. And who knows? You might get a raise for keeping costs down.



*No U.S. credit card calls from Germany or Portugal

London Metals Market

(Prices in sterling per metric ton)

(Silver in ounces per troy ounce)

October 4, 1979

Previous

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Pirates Beat Reds Again; Orioles Win on Home Run

Parker's RBI Single Leads Pittsburgh to Victory, 3-2

By Joseph Durso

CINCINNATI, Oct. 4 (UPI) — The Pittsburgh Pirates, who have been trying to win a playoff from Cincinnati Reds for 10 years, edged out the Reds in a dramatic 3-2 victory in the 10th inning.

The Pirates' victory was a surprise, as they had been considered underdogs. The game was a pitchers' duel, with both teams' starters performing well.

The Pirates' offense was sparked by a home run from Dave Parker in the 10th inning. The win gives the Pirates a 2-1 lead in the playoffs.

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The Pirates' offense was sparked by a home run from Dave Parker in the 10th inning. The win gives the Pirates a 2-1 lead in the playoffs.

One inning later, though, the Pirates broke the tie when Phil Garner led with a sinking line drive to right center that Dave Collins caught or trapped during a stunning dive onto the artificial turf. Trapped, not caught, ruled Frank Pulli, the umpire at second base, and the argument was on.

"It was clear that Collins caught the ball," McNamara insisted after he had lost the argument.

"I saw it," Pulli said, "and I called it no catch. It's my call, and I made it."

The Reds' outrage did not subside when Billy Buntz grounded out to second and, with two down, Folliott lined a double past third base to give Pittsburgh a 2-1 lead.

That was the way it stayed until the Reds unfurled their rally in the ninth against Kent Tekulve, the underhand pitcher who was making his 96th appearance of the season and who had survived a bases-loaded crisis in the eighth.

This time, needing only two outs to win, Tekulve was clipped for a pinch double by Hely Cruz. When the embattled Collins lined a double to right center, the game was deadlocked and Tanner waved to his busy bullpen one more time.

Produced Dave Roberts, who walked Joe Morgan. So he promptly waved for Robinson, who kept the Reds from delivering the coup de grace.

Then the Pirates delivered it themselves. Moreno opened the 10th with a single to right off Doug Bair, took second on Folliott's bunt and cruised home on Parker's whistler to left field. For the Pirates, two down and one to go.

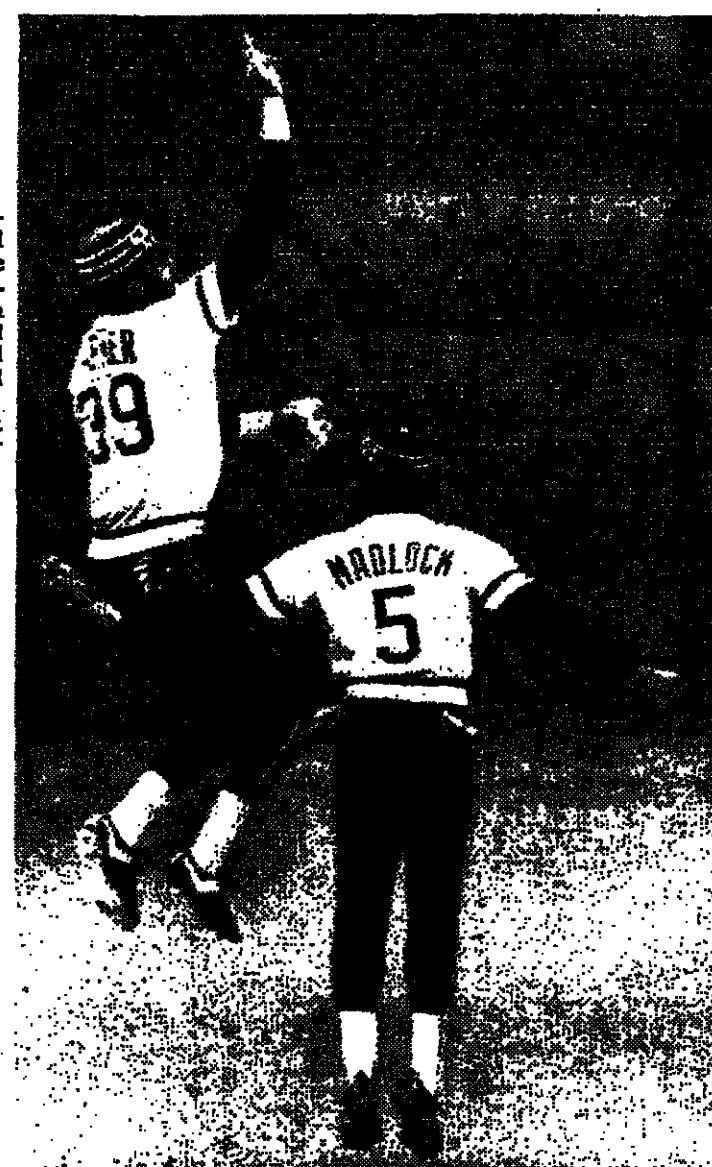
Robinson did even better yesterday. He was the sixth pitcher put to the game by Tanner, being inserted just after the Reds had tied the score in the ninth. With runners on first and second and only one out, Robinson struck out Dave Concepcion and got George Foster in an infield groundout. In the 10th, he struck out Johnny Bench, got more outs for five in a row, and won two games now has achieved a five and a victory.

Bizarre incidents

Apart from individual heroics, two bizarre incidents spiced the game, which began with Jim Bibby, pitching for the Pirates against Frank Pastore, a 22-year-old rookie from California, who spent two months in the minor leagues this summer after surrendering five "time runs" in a game against the Los Angeles Dodgers. But in the 5th inning, Pastore was on his way to a key start for the Reds, and he shaved handsomely yesterday, too.

He lasted seven innings and even socked in the first run, in the second inning, with a sacrifice fly after being hit by Dan Driessen and Ray Knight. The Pirates matched that in the fourth, after Tim Lincecum and Parker opened with singles for the first time off Pastore. That led to bizarre incident No. 1.

It arrived when Willie Stargell, who had a long drive off the left-field wall that fell for a hit when Foster tied away. Folliott and Parker did not have time to react. They took a full ball drop. Then they took a full ball drop. Then they took a full ball drop.



Dave Parker leaps in joy and receives a pat from Bill Madlock after Pittsburgh won its second playoff game at Cincinnati.

Stargell: Slugger as an Elder Statesman

By Dave Anderson

CINCINNATI, Oct. 4 (UPI) — At a quick glance, the Pittsburgh Pirates fit their nickname better than any other baseball team. With their straggly hair, they indeed resemble pirates.

Put knives between their teeth and patches over an eye and a stranger would think they were extras in an Errol Flynn movie. Several travel under aliases — Cobra, Hill Man, Candy, Mad Dog, Hammer, Teke, and Matt the Scat. But even a pirate ship needs a voice of reason, a voice of command. And that voice, deep and mellow, rises out of the thick throat of Willie Stargell.

Stargell, 38, is the captain, the voice, the leader. He is the clubhouse, a statesman of baseball and still a slugger. Dave Parker, pound-for-pound and dollar-for-dollar, is considered by many qualified observers to be baseball's best player. But on the Pirates he bats third. Stargell bats cleanup.

The esteem in which he is held was apparent yesterday when the Cincinnati Reds chose to pitch to Parker in the 10th inning rather than to "pitch" him an intentional walk and pitch to Stargell.

Parker lined a single to left off Doug Bair, scoring Omar Moreno from second base with the decisive run in a 3-2 triumph that sent the Pirates to Pittsburgh within one victory of the National League pennant. Not that Parker was surprised at the Reds' strategy.

"I felt they'd rather challenge me than deal with Willie Stargell," he said of his teammate whose three-run homer in the 11th inning sealed Tuesday night's 5-2 opener. "He's been phenomenal all season and in the playoffs."

Stargell, who has been a steady presence in the clubhouse, is a veteran of many seasons. He is a leader, a mentor, and a player who knows the game inside and out.

Stargell's leadership is evident in the way he interacts with his teammates. He is a calm presence in the clubhouse, always ready to offer advice and support.

Stargell's experience and wisdom are invaluable to the Pirates. He is a true elder statesman of the game.

In his career Stargell has hit 461 regular-season home runs — including 32 this year, not bad for having appeared in only 126 games. At his age he seldom played a doubleheader or even in a day game after a night game, a luxury he enjoyed. When the Pirates' manager, Chuck Tanner, put him in the lineup for the second game of a doubleheader during the recent National League East race, he pretended to be annoyed. "Bench me or trade me," he kidded the manager.

And when Tanner once complained about not having been awarded any of the small embroidered gold stars that decorate the Pirates' black-and-gold caps, Stargell smiled. "You're supposed to be the star," he told the manager. At a cost of about \$1,500 out of his pocket, Stargell has purchased 6,000 of those stars, which are bestowed on Pirates players, wives, officials and dozens of others at the discretion of Lee Lacy, the utility infielder.

"We're starting to run out of them, too," Stargell says. "We got to get some more."

To many of his teammates, he is a father figure, a strong but gentle bear of a man who knows when to be stern and when to laugh, who knows when to encourage one teammate and when to relax another.

When the Pirates' relief pitcher, Don Robinson, fell behind by two balls and one strike on Johnny Bench, who represented the potential tying run for the Reds, in the 11th inning of Tuesday night's game, Willie Stargell hurried to the mound.

"You want to play first base," he told the 22-year-old right-hander, "and I'll pitch."

Robinson laughed and preserved the victory. After it, Stargell was trying to explain the noisy camaraderie of the Pirates clubhouse when a loud voice yelled: "Atta way, you vulgarity!" Stargell smiled and holstered. "Thanks, you vulgarity!" Then he turned to his audience of newsmen and said: "Now you know what I'm talking about."

A Red Pea-Shooter

But there is great affection for Stargell, by opponents as well as teammates. When the Reds were taking batting practice before yesterday's game, he strolled out in sandals to do a TV interview, and Joe Morgan playfully pretended to spike him, then let him swing Morgan's bats.

"This is a pea-shooter," Stargell told him. "I didn't know you swung a pea-shooter."

Morgan laughed and moments later George Foster laughed after another quick conversation. Soon the Pirates' captain was standing near his dugout, holding a microphone for another TV spot, when Bill Madlock, the third baseman, hopped on his back the way that a small boy will jump on his father's back.

But yesterday Stargell briefly was the butt of his own joke. Tim Lincecum was on second and Dave Parker on first when he lofted a drive beyond George Foster. The Reds' left fielder, Foli thought he might catch it, so he stayed at second to tag up, but Dave knew it wouldn't be caught, so he went down to second. Stargell said later, "I was watching the flight of the ball. I was a runaway bull truck out there. And when I looked up, we had three Bucos on second base."

Foli hustled to third, but Stargell, hurrying back to first, was tagged out on a head-first slide.

"I've never worked on going from second to first," Stargell said. "I'm gonna get on Chuck about that."

Lowenstein's 3-Run Blast In 10th Beats Angels, 6-3

By Murray Chass

BALTIMORE, Oct. 4 (UPI) — The California Angels' first taste of post-season experience began sweetly last night when Nolan Ryan struck out the first four Baltimore batters he faced, but it ended sourly when John Lowenstein cracked a pinch-hit, two-out, three-run homer off John Montague in the 10th inning.

The homer — which provided an ending similar to that of the first game of the National League pennant playoff Tuesday night, when Willie Stargell of Pittsburgh was the hero — thrilled the rancorous crowd of 52,787 at Memorial Stadium and gave the Orioles a 6-3 victory over the Angels in the opening contest of the best-of-five American League championship series.

Nolan Ryan, who was around at the finish, Ryan left after seven innings with a cramp in his right calf and Palmer was removed after nine innings because Earl Weaver, the Baltimore manager, felt that his pitcher had worked long enough.

However, the crowd did not care about the pitchers. They wanted Lowenstein and they got him — twice — first when he batted and then when he re-emerged from the dugout and triumphantly thrust both arms into the air.

The Orioles got Lowenstein last November for the \$20,000 waiver fee from the Texas Rangers. However, he had batted only 21 times since Aug. 9, when he severely sprained his left ankle. And he had not hit a home run since exactly two months ago, when his homer beat the New York Yankees, 1-0, in a leathargic game the night after Thurman Munson was killed.

But before Lowenstein could bat last night, others had to play their roles.

Doug DeCinces, who brought home Baltimore's third run with a sacrifice fly in the fourth inning, led off the 10th with a single against Montague, one of five Angels who started their professional careers in the Baltimore farm system.

Rich Dauer sacrificed DeCinces to second, and Terry Crowley, a pinch-hitter who played with Montague at Rochester in 1971, flied to center field. Jim Fregosi, the California manager, ordered an intentional walk for Al Bumbry, a left-handed hitter, even though he figured that Weaver would send Lowenstein, another left-hander, bat for Mark Belanger.

"I'd rather pitch to a guy who hasn't been in the ball game," Fregosi explained later.

The Road Not Taken

Fregosi also could have replaced the right-handed Montague with the left-handed Dave Larocque, but he passed up that opportunity, too. Fregosi said the 32-year-old right-hander, Montague had recorded six saves and two victories in 14 games since the Angels acquired him from Seattle on Aug. 29.

Playoff Line Scores

NATIONAL LEAGUE

Pittsburgh 3, Cincinnati 2 (10 innings)

Los Angeles 4, San Diego 3 (10 innings)

Philadelphia 3, Montreal 2 (10 innings)

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